



SANBI

Biodiversity for Life

South African National Biodiversity Institute



Annual Report

2017/18

TABLE OF CONTENT



GENERAL INFORMATION

General information.....	2
Abbreviations /Acronyms	3
Minister's Foreword	5
Chairperson's Statement.....	7
Board of Directors.....	10
Chief Executive Officer's Report.....	11
Executive Management	16
Legislative and Other Mandates	17
Organisational Structure.....	20
SANBI's Network of Partners	21
About South African National Biodiversity Institute	23

PERFORMANCE INFORMATION

Render Effective and Efficient Corporate Services.....	26
Manage and unlock benefits of the network of National Botanical Gardens.....	31
Build the foundational biodiversity science.....	39
Assess, monitor and report on the state of biodiversity and increase knowledge for decision making	43
Provide biodiversity policy advice and access to biodiversity information; and support for climate change adaptation	46
Human capital development (HCD): Drive HCD, education and awareness in response to SANBI's mandate.....	57

PERFORMANCE AGAINST PRE-DETERMINED OBJECTIVES

Pre-determined Objectives 2017/2018.....	66
Pre-determined Objectives 2016/2017.....	74

GOVERNANCE REPORTS

Corporate governance statement	84
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ANNUAL FINANCIAL STATEMENTS

Statement of responsibility of the Board	96
Report by the accounting authority	97
Report of the audit committee and risk committee for the year ended 31 March 2018.....	101
Report of the Auditor-General of South Africa	103
Annual Financial Statements for the year 31 March 2018	109



GENERAL INFORMATION

Name:	South African National Biodiversity Institute
Registration Numbers and/or other relevant numbers (e.g.: FSP):	SANBI is a Public Entity established in terms of the National Environmental Management: Biodiversity Act of 2004 (No. 10 of 2004)
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ACRONYMS/ ABBREVIATIONS



BGCI	Botanic Gardens Conservation International
BGIS	Biodiversity Geographical Information System
BHCD	Biodiversity Human Capital Development
BOTSOC	Botanical Society of South Africa
CAPS	Curriculum Assessment Policy Statements
CATHSSETA	Culture Arts, Tourism, Hospitality & Sport Sector Education & Training Authority
COP	Conference of the Parties
CREW	Custodians for Rare and Endangered Wildflowers
CSIR	Council for Scientific and Industrial Research
DAFF	Department of Agriculture, Forestry and Fisheries
DBE	Department of Basic Education
DBSA	The Development Bank of Southern Africa
DST	Department: Science and Technology
DWS	Department of Water and Sanitation
EAP	Employee Assistance Programme
EBA	Ecosystem-Based Adaptation
ECPTA	Eastern Cape Parks & Tourism Agency
EIA	Environmental Impact Assessment
EPWP	Expanded Public Works Programme
EWT	Endangered Wildlife Trust
FBIP	Foundational Diversity Information Programme
FP6	Framework Programme 6
GBIF	Global Biodiversity Information Facility
GEF	Global Environment Facility
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GM	Genetically Modified
GMO	Genetically Modified Organisms
GSPC	Global Strategy for Plant Conservation
HAWK	Hangklip Art Week
HCD	Human Capital Development
HRD	Human Resources Development
IUCN	International Union for Conservation of Nature
KRA	Key Result Areas
LEDET	Limpopo Economic Development, Environment and Tourism
LTSM	Learner Teacher Support Material
MEC	Member of the Executive Council
MINMEC	Ministers and Members of Executive Councils Meeting
MINTECH	Ministerial Technical Committee for the Environment



MOA	Memorandum of Agreement
MOP	Member of the Parties
MoU	Memorandum of Understanding
MSB	Millennium Seed Bank (UK)
MSTP	Master Systems Technology Plan
MTA	Message Transfer Agent
MTEF	Medium-Term Expenditure Framework
MTI	Marine Trophic Index
NBA	National Biodiversity Assessment
NBF	National Biodiversity Framework
NBG	National Botanical Garden
NBIS	National
NDF	Non Detriment Findings
NDP	National Development Plan
NEHAWU	National Education, Health and Allied Workers' Union (South Africa)
NEMBA	National Environmental Management Biodiversity Act
NGO	Non-Governmental Organisation
NGP	New Growth Path
NIE	National Implementing Entity
NRF	National Research Foundation
NRM	Natural Resource Management
OD	Organisation Development
OHS	Occupational Health and Safety
PGWC	Provincial Government of the Western Cape
ProEcoServe	Project for Ecosystem Services
SABAP2	Southern African Bird Atlas Project 2
SAIAB	South African Institute for Aquatic Biodiversity
SANBI	South African National Biodiversity Institute
SANEDI	South African National Energy Development Institute
SANParks	South African National Parks
SARChi	The South African Research Chairs Initiative
SARS	South African Revenue Services
SEA	Strategic Environmental Assessment
SIS	Skills Intelligence System
TAU	Technical Assistance Unit of National
TOPS	Threatened or Protected Species
UKZN	University of KwaZulu-Natal
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNOPS	The United Nations Office for Project Services
UWC	University of the Western Cape
WESSA	Wildlife and Environment Society of Southern Africa
WSP	Workplace Skills Plan
WWF-SA	World Wide Fund for Nature-South Africa

MINISTER'S FOREWORD



"On the overall, SANBI continues to make impressive progress in delivering on their mandate".

The South African National Biodiversity Institute (SANBI) is mandated to monitor and report on the status of the Republic's biodiversity. Its activities include undertaking and promoting research on indigenous biodiversity and its sustainable use; establishing and managing collections of plant and animal specimens; managing and maintaining all National Botanical Gardens, with their facilities for horticultural display, environmental education, visitor amenities and research; collecting and disseminating information about biodiversity; assisting in the development of a national biodiversity framework, including bioregional plans and strategies; and coordinating programmes in conservation and sustainable use of indigenous biological resources and the rehabilitation of ecosystems.

South Africa's (SA) biodiversity springs from the wealth of its ecosystems. An incredibly long coastline, craggy mountains, species-rich deserts, elephant-friendly thickets, montane forests, treed savannahs along with the incomparable Cape Floral Kingdom makes this one of the world's naturally richest countries. SA is the third most biodiverse country in the world, and SANBI has been mandated to look after South Africa's Biodiversity. It is also the only country in the world to contain an entire floral kingdom.

SANBI makes an important contribution to national development through ensuring that it is aligned with government priorities. SANBI continues to subscribe and

contribute to the National Development Plan 2030, to eliminate poverty and reduce inequality through its work. They have achieved this by making a direct link between biodiversity and development. While SANBI contributes to a number of the critical actions outlined in the plan, it makes a specific contribution to Critical Action 7 regarding interventions to ensure environmental sustainability and resilience to future shocks.

SANBI's performance led to 42 peer reviewed scientific publications generated by the Biosystematics staff (18 staff on science career ladder), 11 new plant species described and over 5000 species pages (1014 for animals and 4916 for plants) recorded and loaded onto the database. SANBI Scientists participated in a visit to CONABIO in Mexico to strengthen collaboration on biodiversity assessment and monitoring. SANBI also contributed to an EU study of sustainable fishing, which showed that recovery of fish stocks following sustainable management measures would mean more fish in the sea, more jobs, and less impact on the ecosystem.

On the overall, SANBI continues to make impressive progress in delivering on their mandate. I must, therefore, congratulate the organisation's Board and executive management for their responsible approach to their work and for their professional attitude and meaningful delivery. SANBI has on a few occasions partnered with the department to deliver on the below, to mention just a few:



- SANBI supported DEA to table the resolutions for biodiversity stewardship, developed at the National Biodiversity Stewardship Conference, at the intergovernmental committees. The cost effectiveness and success of biodiversity stewardship was highlighted and SANBI's resources on biodiversity stewardship tabled. This sectoral support lays the foundation for taking biodiversity stewardship policy engagement and financing forward strategically.
- On DEA's request SANBI participated in the roadshow and stakeholder consultation process for the Gas Pipeline Strategic Environmental Assessment (SEA). SANBI is leading on the spatial analysis for the SEA which will identify route corridors for the efficient construction of a Phased Gas Pipeline Network in South Africa and extend the Electricity Grid Infrastructure network where necessary. The preliminary gas pipeline network was identified as part of the Operation Phakisa and this needs to be refined and confirmed as part of the SEA process.
- In partnership with the Department of Environmental Affairs (DEA), SANBI co-hosted the 4th annual Management, Research and Planning (MAREP) Forum at Kirstenbosch on 23 and 24 November 2017. The forum focused on unlocking and securing investments in the Natural Resource Management sector and expanded on discussions and actions initiated at previous forums on water sector funding opportunities. This work intends to understand and explore conservation finance mechanisms to resource and grow the natural resource management sector.

On the overall SANBI's performance continues to make a difference in a number of ways and in different communities as I also recognise the critical role that SANBI plays in the broadest sweep of community upliftment, employment and the nurturing of our increasingly valued natural landscape and all the resources that this encompasses. Finally, I want to reinforce my own commitment to you all at SANBI, I am committed to upholding your primacy in both South Africa and throughout the continent. Lastly, I want to thank the SANBI Board for guiding such an organisation through a clear vision and strategy to success.

Dr BEE Molewa, MP

Minister of Environmental Affairs

CHAIRPERSON'S STATEMENT



SANBI's work is nested directly within Department of Environmental Affairs (DEA's) outcomes in terms of the Medium Term Strategic Framework (MTSF), which in turn contribute towards the broader government priorities contained in the National Development Plan (NDP) and to international agreements that the country is party to, including the Sustainable Development Goals.

*"This symbolic transfer
will culminate in a more
comprehensive fulfilment of
SANBI's mandate".*

SANBI reports to and is accountable to the Executive Authority of DEA. SANBI advises and informs DEA with respect to the biodiversity elements of environment policy based on best available science, and acts as DEA's agent as stipulated in its mandate. SANBI aligns its research activities

to those identified as priorities by the NBSAP. The Institute is a primary source of information and expertise on these subject matters, providing support to DEA in this regard.

During the year under review SANBI collaborated with other government departments on a national, provincial and local scale on a wide range of activities. Co-operation with DEA, and other government departments is facilitated through the Biodiversity Working Group, the Ministerial Technical Committee (MinTECH) and MinMEC (a standing intergovernmental body consisting of the Minister of Environmental Affairs, and Members of the provincial Executive Councils (MECs)). Co-ordination with Science Councils is facilitated through Committee of Heads of Organisations of Research and Technology. Many other formal and informal links between SANBI, government departments, the private sector and non-governmental organisations (NGOs) have been established. All of these partnerships and co-operations have proven to be a great success for SANBI in different ways and at different levels, all helping contributing towards helping SANBI become a successful organisation.

In the year under review we achieved a lot, below is just a few of our achievements and areas where we hosted and participated to the benefit not only of SANBI but the South Africa in some areas. These platforms afforded us an opportunity to continue to raise the profile of SANBI.

- SANBI scientists led a team to the Sky Islands of Mozambique to survey reptiles, amphibians, fish and plants. This forms part of SANBI's strategy to assist with regional biodiversity assessments and capacity development. Several new species of chameleons, lizards and frogs were discovered in the mountain forests and have been used to motivate for the listing of the Sky Islands as Key Biodiversity Areas.
- Among the highlights for publications at SANBI were seven papers contributed by SANBI staff, students and postdoctoral fellows to a special issue focusing on biological invasions in urban environments ("Non-native



species in urban environments: patterns, processes, impacts and challenges"). SANBI also participated again in the global horizon scan led by the Cambridge Conservation Initiative and which was published as "A 2018 Horizon Scan of Emerging Issues for Global Conservation and Biological diversity".

- SANBI, together with Stats SA, represented South Africa at the Second Forum on Natural Capital Accounting for Better Policy, held on 22 and 23 November 2017 in The Hague. The Forum was co-hosted by the World Bank, the United Nations and the Ministry of Foreign Affairs of the Netherlands, and 20 countries were represented. The purpose of the Forum is to strengthen the use of Natural Capital Accounting in decision making, including sharing lessons from country experiences. SANBI's presentation on how ecosystem accounting can be used to inform a range of policy and planning in South Africa, such as strategic national planning, municipal land-use planning, and investment in ecological infrastructure, was well received.
- SANBI co-facilitated with the Water Research Commission, a session on Ecological Infrastructure and Water Security at the National Wetland Indaba held in KwaZulu-Natal from 16 to 19 October 2017. The focus was on strengthening support for the role of ecological infrastructure in enhancing water security and included a panel of experts and officials from the sugar and forestry sectors, as significant production sectors in KwaZulu-Natal, as well as the regulatory sectors such as the Water and Sanitation, Environmental Affairs, and Agriculture and Forestry.
- Our African Biodiversity Challenge (ABC) project collaborated with the Global Biodiversity Information Facility (GBIF), through its Biodiversity Information for Development (BID) programme, to host and facilitate a combined Data Management Training Course from 4 to 8 December 2017 at Kirstenbosch. Thirty-seven participants from museums, governmental agencies and NGOs, representing 19 African countries, were trained on the technical aspects of data mobilization including digitisation, management and online publishing. In addition, our staff played a mentorship role developing internal training capacity and solidifying SANBI as a hub of biodiversity informatics capacity.
- The UNFCCC COP 23 meeting held in Bonn, Germany from 7 to 14 November 2017 - we were there as SANBI as part of the South African delegation. This included presenting at a National Business Initiative event and attending the Adaptation Fund's 10 year anniversary celebration. South Africa's work as the National Implementing Entity of the Adaptation Fund was showcased in a publication that was released by the Adaptation Fund.
- The Biodiversity Empowerment and Education Directorate has been hard at work educating learners on science, research and careers within our sector. One can only hope that the education provided will result in learners choosing careers within the science and biodiversity research fields to increase the number of scientists and researchers in the future.

In 2012 the process of transferring the National Zoological Gardens (NZG) was initiated and significant progress has been made. The agreement between the Minister of Science and Technology handing over the NZG and the Minister of Environmental Affairs receiving NZG was reached in 2017. A Notice of Withdrawal was gazetted by the Minister of Science and Technology confirming the transfer of NZG into SANBI. The new effective date is 1 April 2018 and extensive progress has been made to receive NZG into the SANBI fold. The National Treasury approved the transfer and has confirmed the funding flows with effect from April 2018 and for the next MTEF. This symbolic transfer will culminate in a more comprehensive fulfilment of SANBI's mandate. The Board of SANBI and management have invested heavily in preparing to receive the NZG.

SANBI remains a progressive organisation that is committed to developing its own. In the year under review we awarded 19 postgraduate student bursaries and postdoc fellowships, this includes 2 Honours, 8 Masters, 5 Doctoral and 4 Postdoctoral offers just to mention a few, more employees took up the opportunity to further their studies. This is a strong indication that SANBI continues to grow its own timber.

As hard as we all worked in the past year, there are challenges that remain, and these challenges need to be confronted head on if we are to win. Our main challenge being the budget cut. SANBI's budget will be cut by about R40 million in the next three years. This is one area we have no control over however this is as a result of the economic challenges we face as a country and there as SANBI we believe we should find a way to make it work with the little we have and have no intention of making budget cut and excuse for not delivering as we have done previously. This however, only means we have to continue doing more with less.

Our second challenge is finding ways and means of generating income to remain sustainable, this means we have to come up with strategies to raise our own income and maximise the utilization of our assets. I am hoping we are capable of addressing these challenges and therefore we'll slowly soldier on and make sure we do everything in our power to win.

My most sincere thanks also go to my fellow members of the Board for their sterling efforts in giving SANBI strategic direction during the past financial year. Their individual skills and collective expertise have ensured that this is an organisation of good standing. The Board has most certainly created a marvellous foundation for SANBI - strategically strong, immersed in good governance and with an embedded commitment to growing the sector.

To the Management and Staff of SANBI, thank you for the day-to-day business roles you play so diligently and for the technical abilities you display in working with all the organisation's stakeholder groups. Your commitment is applauded and greatly appreciated.

Finally and most importantly, I express my most grateful thanks to the Minister for Environmental Affairs, Mrs E Molewa for the confidence she has shown in me, through my appointment as Chairperson of SANBI Board. I am most appreciative of her support of SANBI, her acknowledgement of the work the organisation undertakes and her passion for the promotion of the sector.



Dr J.M. Matjila

Board Chairperson

South African National Biodiversity Institute (SANBI)





BOARD OF DIRECTORS



Dr J. M. Matjila
Board Chairman



Mrs M. E. Magomola



Mrs T. Godongwana



Dr S. T. Cornelius



Prof. B. van Wilgen



Mrs N. N. Mnqeta



Mr S. Gounden



Mrs B. D. Ngidi



Mrs S. Mancotywa
DEA representative



Dr Y. Seleti
DST representative



Dr M. Rampedi
Chief Executive Officer

CHIEF EXECUTIVE OFFICER'S REPORT



The South African National Biodiversity Institute (SANBI) plays a leadership role in generating, coordinating and interpreting the knowledge and evidence required to support policies and decisions relating to all aspects of biodiversity. Biodiversity richness is one of South Africa's

"Biodiversity richness is one of South Africa's greatest assets – reflected in the abundant variety of our landscapes, fauna and flora, and ecosystems".

greatest assets in terms of landscapes, ecosystems and species for human wellbeing and survival of the planet. SANBI leads and coordinates research, monitors and reports on the state of these assets, and initiates best practice management models in partnership with various stakeholders.

The Institute ensures exploration and celebration of South Africa's biodiversity, it is the only institution in South Africa mandated through the National Environmental Management: Biodiversity Act No. 10 of 2004 to establish, manage, maintain and develop national botanical gardens in the country. So far, SANBI has successfully managed 10 National Botanical Gardens each with their own associated tourism infrastructure and conservation estate as windows to South Africa's biodiversity for education and enjoyment of all people.

In addition to managing the National Botanical Gardens, SANBI plays a leadership role in generating, coordinating and interpreting the knowledge and evidence required to support policies and decisions relating to all aspects of biodiversity. SANBI's science forms part a value chain that starts with very basic information on biodiversity and builds on these foundations with assessments, experiments, models and tools. In this way we can influence policy makers and contribute to Government's higher objectives of poverty alleviation, job creation and improving human wellbeing.

THE BIODIVERSITY ECONOMY

One of the pillars of the biodiversity economy is that it is based on the principles of sustainability. The Biodiversity Economy Strategy identified 25 priority plant species to provide employment and stimulate economic activities across the bio-prospecting value chain and SANBI has been working with the Department of Environmental Affairs to ensure that harvest from wild populations is sustainable and that transitions to cultivation provide both environmental and social benefits. SANBI is part of a Global Environmental Facility project proposal to develop value chains for these species and to evaluate certification schemes that promote social and environmental benefits.

SANBI also ensures that South Africa has some of the best foundational information on biodiversity anywhere in the world. This information forms the basis for exploring the bioprospecting potential of South Africa's biodiversity. It is



also important to ensure that indigenous knowledge linked to our biodiversity is protected and SANBI is working with the Department of Science and Technology to identify the species used in traditional practices and to ensure that indigenous knowledge is properly documented.

CLIMATE CHANGE ADAPTION

SANBI is a National Implementing Entity of the Adaptation Fund, during the year under review SANBI was implementing two projects that have a total value of USD 10 million. This as support to vulnerable communities in partnership with the Adaptation Fund. To date, a total of eleven small grants projects have been approved for implementation in the USD 2 million Adaptation Fund Small Grants Facility Project. Five of these are in the Mopani District Municipality (Limpopo), and six are in the Namakwa District Municipality (Northern Cape). Collectively, these nine small grant projects will build the resilience of an estimated 2,823 community members who are vulnerable to the impacts of climate change, 60% of whom are women. The majority of small grant projects are focused on Climate-Smart Agriculture interventions, while projects that focus on Climate-Resilient Livelihoods and Climate-Proof Settlements are also included in the project portfolio.

In the USD 8 million uMngeni Resilience Project, which is being implemented by the uMgungundlovu District Municipality (KwaZulu-Natal), 380 vulnerable farmers (75% of whom are women) have already been supported to introduce climate smart agriculture techniques into the way they farm, thereby building their resilience to the frequent droughts and storms the area experiences. The Early Warning System component of the project agreements allows the South African Weather Service to set a national precedent for data sharing and use. The project will be used as a pilot site for the implementation of the National Framework for Climate Services. A lightning sensor has been installed at a local high school, and plans are underway to develop the flood and warning components of the system, which will ultimately benefit all rural populations in the District.

NEW NATIONAL BOTANICAL GARDEN

Aligned with SANBI's Gardens Expansion Strategy: 2016 to 2030, which indicates that there should be a national botanical garden in every province of South Africa, SANBI formally took over the managerial responsibility for the Thohoyandou Botanical Garden in Limpopo in July 2017, in partnership with the Limpopo Department of Economic Development, Environment and Tourism. SANBI, with support of its own dedicated staff, continues to manage and maintain the botanical garden, earmarked to become South Africa's 11th national botanical garden.

SANBI is working closely with the Department of Environmental Affairs (DEA) and other national and provincial government departments to unlock challenges associated with the declaration process for the garden. A landscape design plan for the proposed new national botanical garden has been developed in the past year and a detailed condition assessment of existing facilities in the garden conducted. Additional funds have been made available to SANBI from the National Department of Tourism (NDT) to enhance the nature-based tourism value of the garden to national and international visitors over the next couple of years.

INFRASTRUCTURE INVESTMENT

With support from the national DEA and the NDT as well as donor funding, SANBI has since last year made significant investment in maintenance and improvement of its nature-based tourism infrastructure across all its national botanical gardens and research facilities. This includes the completion of new environmental education centres in the Karoo Desert-, Harold Porter- and KwaZulu-Natal National Botanical Gardens, new and upgraded administration buildings, maintenance of natural estates and wetland habitats with support from Working for Wetlands and DEA's Expanded Public Works Programme, upgrades to the National Herbarium and KwaZulu-Natal Herbarium, and implementation of a range of sustainable infrastructure projects in the Northern Cape and Western Cape gardens that have been negatively impacted by water shortage and droughts in recent years. Construction of the new Natural History Collections Facility based at SANBI's Head Office in Pretoria will also be started in the current financial year. Much attention will also be made on improving existing infrastructure in the Thohoyandou Botanical Garden and Kwelera National Botanical Garden, in partnership with the provincial conservation agencies in both the Limpopo and Eastern Cape provinces.

WATER SECURITY

In the face of changing climatic conditions, achieving water security and meeting our development goals is a complex societal challenge and requires creative, collaborative and coordinated approaches involving the public, private and civil society actors. It also requires innovative approaches of doing business beyond traditional approaches that have demonstrated their limits.

South Africa is endowed with a vast wealth of ecological infrastructure - nature's equivalent of built infrastructure. It includes our mountain catchments, wetlands and coastal dunes, and is increasingly showing its potential to supplement, secure and, in some case substitute for, built infrastructure in both the rural and urban contexts. We rely on our mountain catchments for the water we use and the quality and quantity of water we get is in turn heavily dependent on the health of the catchment ecosystems.

Recognizing the role of health catchments ecosystems for water security we have secured a five year grant from the Global Environment Facility to upscale our investment in the management of ecological infrastructure in our catchments in order to secure water for communities at a time when we have experienced severe drought. This way we will build climate resilient economies, while creating significant numbers of long-term green jobs.

PRODUCING THE FIRST NATIONAL ASSESSMENT OF BIOLOGICAL INVASIONS

Biological invasions pose enormous threats to South Africa's ecosystems and the services that they deliver to our people. The economic damage caused by these invasions has been estimated at billions of rands per year and the problem is growing rapidly as more species are introduced and invasive species start to spread. South Africa is among the few countries that has legislation specifically aimed at managing the problem of biological invasions and our Working for Water programme, initiated by government in 1995, is internationally-renowned for its innovative approaches that combine alien plant control with poverty relief, employment and development opportunities. Now South Africa has produced the first country-level assessment on the status of biological invasions anywhere in the world.

SANBI has completed a comprehensive national-scale assessment of the status of biological invasions. The report assesses five aspects comprising pathways of introduction and spread, the establishment and impact of invasive species, the levels of invasion and the resulting overall impacts, and the effectiveness of control measures and regulations. This report shows that 775 invasive species have been identified in South Africa. While the rate of intentional introduction of high-risk species is expected to decline due to improved regulation, the rate at which species are arriving in the country appears to be gradually increasing due to unintentional introductions linked to trade and tourism. A total of 107 species were considered by experts to be having major or severe impacts on biodiversity and/or human wellbeing and the vast majority of these (75%) were terrestrial or freshwater plants.

This report also provides a framework for reporting on the status of biological invasions at a national scale using a set of indicators. These indicators will serve as baseline for assessing trends and for setting realistic management targets and they also highlight several important gaps in our ability to provide evidence to support decision making.

TRANSFER OF THE NATIONAL ZOOLOGICAL GARDEN OF SOUTH AFRICA

In the past year SANBI began preparations for the transfer of the National Zoological Garden (NZG) from the National Research Foundation to SANBI with effect from 1 April 2018 in fulfilment of SANBI's mandate in accordance with the National Environmental Management: Biodiversity Act No. 10 of 2004.

The transfer preparation process was underpinned by principles ensuring seamless integration with minimal disruption noting that the NZG is an established and functioning concern. Emphasis was put on stability regarding conditions of service of SANBI and NZG staff and application of good practices in change management. With the endorsement of the SANBI Board, a ring-fencing of conditions of service of NZG staff for a period of up to 24 months post the effective date of transfer was a consideration. SANBI undertook to ensure an Organizational Business Review process to enhance the long-term sustainability and enhanced performance post the transfer.





ENHANCING THE REGULATORY SYSTEM

In 2017, we committed to enhancing the regulatory system by implementing decisions taken at the 17th Conference of Parties to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and strengthening actions to combat illicit wildlife trafficking. In the past year, SANBI and the Scientific Authority have worked with the Department of Environmental Affairs and Provincial Authorities to ensure full compliance with CITES decisions. This includes identifying and implementing protocols for the registration of over 1000 facilities breeding captive bred parrots as well as strengthening the monitoring of leopard populations to improve science based decision making [and initiating a research project to understand how trade in lion bone may impact on wild lion populations]. The Scientific Authority also completed non-detriment findings for five priority species, among them *Aloe ferox*, one of the most important plants traded from South Africa and a key species for the Biodiversity Economy Strategy.

NETWORK OF PARTNERS

Working with, and through partnerships has become standard approach and practice for SANBI to leverage external resources to achieve the biodiversity mandate. The successful establishment and launch of the Natural Sciences Collections Facility (NSCF) project funded by the Department of Science and Technology (DST) allows SANBI to fulfil its mandate on management of natural collections. As a result, natural sciences collections are being documented in South Africa, their status and conditions established with the aim of promoting access to these collections for research, teaching and awareness on the value of biodiversity for economic development.

Therefore, through two special projects, namely the Foundational Biodiversity Information Programme (FBIP) and the Natural Sciences Collections Facility (NSCF), SANBI has been able to partner with museums (national and provincial), Science Councils, National Research Foundation Research Facilities and Universities to mobilise biodiversity data, and leverage a range of expertise nationally to document South Africa's biodiversity at a faster rate.

The information about South Africa's biodiversity is made accessible to the wider public through national portals, namely the Botanical Research and Herbarium Management System (BRAHMS) and Specify platforms both of which provide information on specimen's occurrence and the species descriptions that aid in identifications. In addition hosting the NSCF, SANBI has been requested under the DST's Research Infrastructure Roadmap (SARIR) project, to lead the development, coordination and implementation of the Biobank Research Facility. This will also be a distributed network of institutions that hold tissue materials, and will be hosted at the National Herbarium in Pretoria. Strategic partnerships will be pursued in the sector to build a sustained pipeline of technical skills and competencies required to undertake foundational biodiversity work.

BIODIVERSITY EDUCATION, EMPOWERMENT AND HUMAN CAPITAL DEVELOPMENT

Through its "Kids in Gardens" Programme, the Biodiversity Education and Empowerment Directorate reached 44 856 beneficiaries this year. While many of the participating schools and organisations are regular clients to the programme, deliberate plans to market the programme to new schools as well as invite and sponsor learners from impoverished schools were actioned. This resulted in 173 schools with 14 534 learners visiting the National Botanical Gardens for lessons for the very first time. In addition, steps were taken once again to include marginalised groups leading to 484 learners with physical and mental disabilities from 15 schools for special educational needs participated in lessons specifically designed for them, as well as 18 youth groups with 712 beneficiaries and 11 adult groups with 423 beneficiaries.

The directorate's Career Programme aims at attracting young people into the biodiversity sector. The multi-prong approach, which includes primary school career events, high school career expo's and university career fairs, allowed 2 683 learners and students to meaningfully and often practically interact with information about biodiversity careers. SANBI also plays a pivotal role in mentoring and developing young people already in the sector through its Student and Intern Programme. This year, 73 beneficiaries of this programme were developed through work-integrated learning (WIL), internship, scholarship and postgraduate programmes.

Environmental awareness-raising initiatives such as the celebration of environmental theme days, holiday programmes and community programmes aimed at reducing biodiversity crimes and promoting biodiversity conservation reached 8908 beneficiaries. Many aspects of the directorate's work and the year's achievements must be attributed to partnerships and working-relationships with a range of public and private organisations both at provincial as well as national levels.

TRANSFORMATION


Transformation at SANBI is taking shape, we now have a clear purpose of what transformation is, as well as when and how we are going to implement. To achieve this Senior Management took time out to take stock of where we are on our transformation journey, looking at both transactional and transformational issues. The purpose was to develop a common understanding of issues and themes currently alive within SANBI relating them to the broader South African context. This assisted a lot in deepening a common understanding of how we frame transformation within SANBI, reconnecting the transformation journey to the SANBI Mandate, Vision & Values. It gave us an opportunity to introduce large scale organisational theories of change – living systems and complexity approaches, introducing social technologies that support large scale organisational transformation, scoping and plotting a way forward for SANBI.

SANBI considers Sustainable Transformation as a strategic process that takes a long-term view on the state of an organisation and considers the opportunities that exist within it and external environment to increase efficiency. The efficiency opportunities might be accomplished through a range of interventions in the business processes and systems, organisational culture and values geared to achieve the vision and mission, and will involve periodical introduction of new and emerging technologies or practices to towards operational efficiency and effectiveness.

ACKNOWLEDGEMENT/ APPRECIATION

SANBI has enjoyed pleasing results in the 2017/18 financial year, due largely to the dedication of all those with a passion for biodiversity and a desire to realise the growth of this vital sector in the economy of South Africa. I want to hereby thank Honourable Dr Edna Molewa, Minister for Environmental Affairs, together with her executive team for their confidence in SANBI and the support they have afforded us. I wish to extend my gratitude and appreciation to the SANBI Board Chairperson, Ms Magomola and the entire Board for the vision and strategic direction they have brought to SANBI. Their uncompromising stance with regard to maintaining the highest standards of corporate governance, compliance and transparency of operation was valuable. To the SANBI Executive Management team, staff and colleagues, I extend sincere appreciation for the support and cooperation you provided as well as your drive and commitment to the achievement of our mandate.

Lastly and most importantly a heartfelt thank you to our partners and stakeholders in the Biodiversity Sector, as well as all domestic and international role players for their assistance and collaboration in our efforts to contribute to biodiversity management. Protecting and promoting biodiversity for generations to come is truly a labour of love that all of us can be highly proud of.



Dr Moshibudi Rampedi

Chief Executive Officer





EXECUTIVE MANAGEMENT



Dr M. Rampedi
Chief Executive Officer



M. E. Khoahli
*Chief Corporate Officer:
Corporate Services*



K. E. Maze
*Chief Director: Biodiversity
Information and Policy Advice*



Prof. R. Sebola
*Chief Director: Biosystematics
and Collections*



Mandy Barnett
Leader: Climate Change



C. K. Willis
*Chief Director: Conservation
Gardens and Tourism*



L. Dlamini
*Director: Marketing and
Communication*



L. V. Ralepeli
*Director: CEO Office and Board
Secretary*



T. Mutshinyalo
MANCO representative to EXCO



L. Sithole
Chief Financial Officer



M. J. Netshiombo
Chief Director: Human Resources



C. H. Mbizvo
*Head: Biodiversity Science and
Policy Advice*



Prof. J. S. Donaldson
*Chief Director: Biodiversity
Research, Assessment and
Monitoring*

LEGISLATIVE AND OTHER MANDATES

LEGISLATIVE MANDATE

The South African National Biodiversity Institute was established as a juristic person in terms of section 10(1) of the National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004). SANBI is a public entity in terms of section 38(1) (m) of the Public Finance Management Act, 1999 (Act No. 1 of 1999). It is classified as a schedule 3A entity, i.e. one that will receive substantial support from the National Revenue Fund.

The National Environmental Management: Biodiversity Act stipulates that SANBI's purpose is to assist in achieving the objectives of the Biodiversity Act, which are as follows:

CHAPTER 1, PART 2 – OBJECTIVES OF THE ACT

- a. within the framework of the National Environmental Management Act, to provide for:
 - (i) the management and conservation of biological diversity within the Republic and of the components of such biological diversity;
 - (ii) the use of indigenous biological resources in a sustainable manner; and
 - (iii) the fair and equitable sharing among stakeholders of benefits arising from bio-prospecting involving indigenous biological resources;
- b. to give effect to ratified international agreements relating to biodiversity, which are binding on the Republic;
- c. to provide for co-operative governance in biodiversity management and conservation; and
- d. to provide for a South African National Biodiversity Institute.

SANBI's mandate is derived from the following sections of the Act:

CHAPTER 2, PART 1, S11(1) – FUNCTIONS

THE INSTITUTE:

- a. must monitor and report regularly to the Minister on:
 - 1. the status of the Republic's biodiversity;
 - 2. the conservation status of all listed threatened or protected species and listed ecosystems; and
 - 3. the status of all listed invasive species;
- b. must monitor and report regularly to the Minister on the impact of any genetically modified
 - 2. organism that has been released into the environment including the impact on non-target
 - 3. organisms and ecological processes, indigenous biological resources and the biological diversity of species used for agriculture;
- c. must act as an advisory and consultative body on matters relating to biodiversity to organs of state and other biodiversity stakeholders;
- d. must co-ordinate and promote the taxonomy of South Africa's biodiversity;
- e. must manage, control and maintain all national botanical gardens;
- f. must manage, control and maintain:
 - 1. herbaria; and
 - 2. collections of dead animals that may exist;





- g. must establish facilities for horticulture display, environmental education, visitor amenities and research;
- h. must establish, maintain, protect and preserve collections of plants in national botanical gardens and in herbaria;
- i. may establish, maintain, protect and preserve collections of animals and micro-organisms in appropriate enclosures;
- j. must collect, generate, process, co-ordinate and disseminate information about biodiversity and the sustainable use of indigenous biological resources and establish and maintain databases in this regard;
- k. must allow, regulate or prohibit access by the public to national botanical gardens, herbaria and other places under the control of the Institute and supply plants, information, meals or refreshments or render other services to visitors;
- l. must undertake and promote research on indigenous biodiversity and the sustainable use of indigenous biological resources;
- m. must co-ordinate and implement programmes for:
 - 1. the rehabilitation of ecosystems; and
 - 2. the prevention, control or eradication of listed invasive species;
- n. must co-ordinate programmes to involve civil society in:
 - 1. the conservation and sustainable use of indigenous biological resources; and
 - 2. the rehabilitation of ecosystems;
- o. on the Minister's request, must assist him or her in the performance of duties and the exercise of powers assigned to the Minister in terms of this Act;
- p. on the Minister's request, must advise him or her on any matter regulated in terms of this Act, including:
 - 1. the implementation of this Act and any international agreements affecting biodiversity which are binding on the Republic;
 - 2. the identification of bioregions and the contents of any bioregional plans;
 - 3. other aspects of biodiversity planning;
 - 4. the management and conservation of biological diversity; and
 - 5. the sustainable use of indigenous biological resources;
- q. on the Minister's request, must advise him or her on the declaration and the management of, and development in, national protected areas;
- r. must perform any other duties:
 - 1. assigned to it in terms of this Act; or
 - 2. as may be prescribed.

CHAPTER 3, PART 2, S 48(3) – THE INSTITUTE MAY:

- a. assist the Minister and others involved in the preparation of the National Biodiversity Framework, a bioregional plan or a biodiversity management plan to comply with subsection (1); and
- b. make recommendations to organs of state or municipalities referred to in subsection (2);

align their plans referred to in that subsection with the National Biodiversity Framework and any applicable bioregional plan.

CHAPTER 4, PART 2, S60(2)

1. The Institute must provide logistical, administrative and financial support for the proper functioning of the Scientific Authority.

SANBI is also responsible for the following regulations in terms of NEMBA:

- Threatened or Protected Species Regulations
- Convention on International Trade in Endangered Species of Wild Fauna and Flora Regulations
- Draft Alien and Invasive Species Regulations.

Underpinning the successful implementation of the provisions of the Act is the submission of scientific evidence to support policy and decision making relating to the conservation and management of biodiversity and the impacts of, and adaptation to, climate change.

OTHER MANDATES

Key priorities are also derived from official sources that identify issues with a high relevance to policy, such as, the National Biodiversity Strategic Action Plan (NBSAP) 2015–2025 the National Biodiversity Framework (NBF), government delivery agreements (Outcome 10), and other national priorities (e.g., wildlife trade, the green economy), and specific mandates such as provided by the White Paper on the National Climate Change Response Policy (NCCRP).

SANBI manages its human resources in line with the following legislation:

- National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004)
- Labour Relations Act, 1995 (Act No. 66 of 1995)
- Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)
- Employment Equity Act, 1998 (Act No. 55 of 1998)
- Skills Development Act, 1998 (Act No. 97 of 1998)
- Skills Development Levies Act, 1999 (Act No. 9 of 1999)
- Language Policy Act

The Institute also complies with the Public Finance Management Act and relevant Treasury regulations.



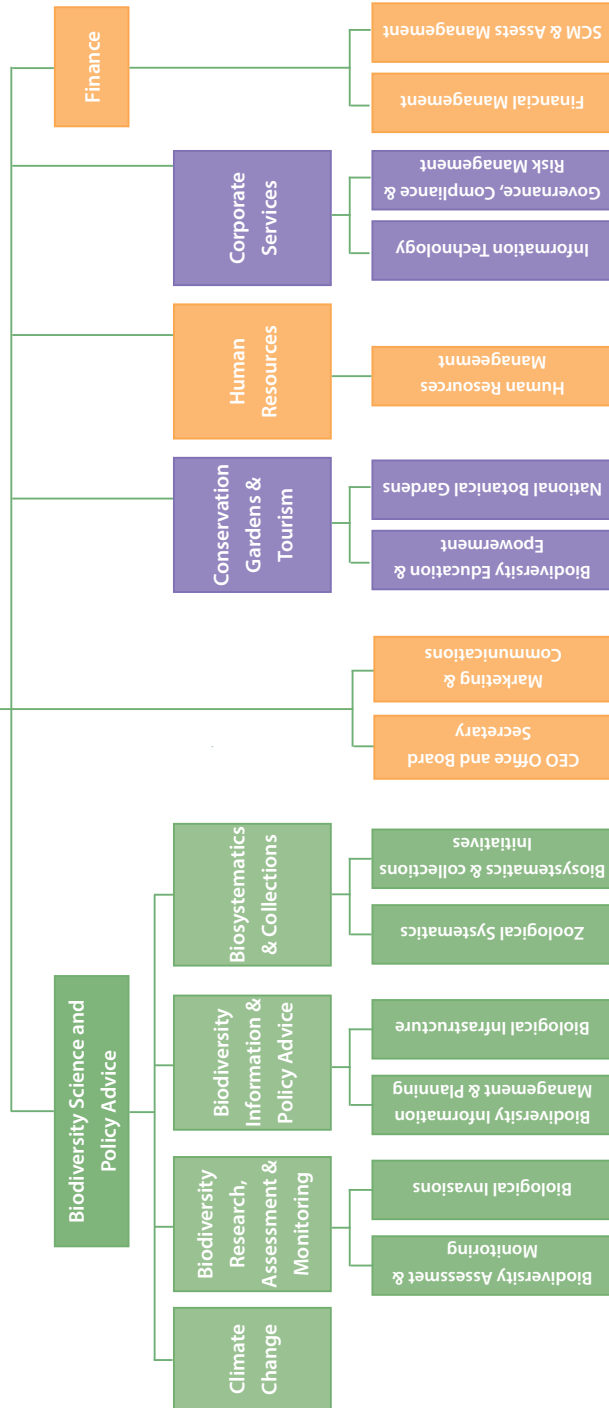
ORGANISATIONAL STRUCTURE

SOUTH AFRICAN NATIONAL BIODIVERSITY INSTITUTE

MINISTER OF ENVIRONMENTAL AFFAIRS

SANBI BOARD

CHIEF EXECUTIVE OFFICER



SANBI'S NETWORK OF PARTNERS



COLLABORATIONS WITH NATIONAL DEPARTMENTS/ENTITIES	
Department of Agriculture, Forestry and Fisheries (DAFF)	
Department of Environmental Affairs (DEA)	
Department of Rural Development and Land Reform (DRDLR)	
Department of Science and Technology (DST)	
Department of Water and Sanitation (DWS)	
Development Bank of SA (DBSA)	
Expanded Public Works Programme (EPWP)	
National Department of Tourism (NDT)	
National Research Foundation (NRF)	
South African Local Government Association (SALGA)	
South African National Parks (SANParks)	
South African Weather Service (SAWS)	
Statistics South Africa (Stats SA)	

COLLABORATIONS WITH PROVINCIAL DEPARTMENTS	
Cape Nature	
Eastern Cape Department of Economic Development and Environmental Affairs	
Eastern Cape Parks and Tourism Agency (ECPTA)	
Ezemvelo KZN Wildlife (EKZNW)	
Free State Department of Tourism, Environmental and Economic Affairs	
Gauteng Department of Agriculture and Rural Development	
Limpopo Department of Economic Development, Environment and Tourism (LEDET)	
Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs	
Mpumalanga Tourism & Parks Agency	
North West Department of Agriculture, Conservation, Environment and Rural Development	
Northern Cape Department of Environment and Nature Conservation	
Western Cape Department of Environmental Affairs and Development Planning	

COLLABORATIONS WITH MUNICIPALITIES	
Cape Winelands Municipality	Mopani District Municipality
City of Cape Town	Msunduzi Municipality
City of Tshwane	Nelson Mandela Bay Municipality
Ekurhuleni Municipality	Nketoana Local Municipality
Ehlanzeni Municipality	Setsoto Local Municipality
eThekweni Municipality	uMgungundlovu District Municipality

COLLABORATIONS WITH RESEARCH CENTRES	
Agricultural Research Council (ARC)	South African Medical Research Council
Albany Museum	South African Wildlife College
Chrysalis Academy	Stellenbosch University (SU)
Council for Geoscience	The KwaZulu-Natal Museum
Council for Scientific and Industrial Research (CSIR)	Tshwane University of Technology (TUT)



COLLABORATIONS WITH RESEARCH CENTRES

Durban Natural Science Museum	University of Cape Town (UCT)
Iziko Museums of SA	University of Johannesburg (UJ)
National Museum, Bloemfontein	University of KwaZulu Natal (UKZN)
National Research Foundation (SAASTA)	University of Pretoria (UP)
National Zoological Gardens of South Africa	University of South Africa (UNISA)
North-West University	University of the Free State
Port Elizabeth Museum	University of the Western Cape (UWC)
Rhodes University	University of the Witwatersrand (WITS)
South African Environmental Observatory Network (SAEON)	University of Venda (UNIVEN)
South African Institute of Aquatic Biodiversity (SAIAB)	Water Research Commission (WRC)

COLLABORATIONS WITH NON-GOVERNMENTAL ORGANISATIONS/BUSINESSES

Adaptation Network	Kwelera Nature Reserve Proprietary Limited
Association for Water and Rural Development (AWARD)	Livinglands
BirdLife South Africa	NCC - Environmental Services
Botanical Society of SA	NCT Forestry Cooperative Ltd
Conservation South Africa	Proteus Initiative
Duzi uMngeni Conservation Trust (DUCT)	SANCCOB
Endangered Wildlife Trust (EWT)	SAPPI
Environmental Monitoring Group (EMG)	South African Cities Network (SACN)
Forestry South Africa	Sustainable Energy Africa NPC (SEA)
Gondwana Alive	Table Mountain Fund (TMF)
Greenmatter	The Wildlife and Environment Society of South Africa (WESSA)
Groundtruth	Wildlands Conservation Trust
ICLEI - Local Governments for Sustainability	World Wide Fund for Nature South Africa (WWF-SA)
Indigo Development and Change	Brenton Blue Trust/ Lepidopterist Society of Southern Africa (LepSoc)
Institute of Natural Resources	South African Association for Marine Biological Research (SAAMBR)
Isimangaliso Wetland Park Authority	

COLLABORATIONS WITH INTERNATIONAL ENTITIES

California Academy of Sciences	UN Statistics Division
Norwegian Environment Agency	JRS Biodiversity Foundation
United Nations Environment Programme	Royal Botanical Gardens-KEW
University of Exeter	Joint Ethno-botanical Research Advocacy- Uganda (JERA)
Universite Pierre et Marie Curie	International Union for Conservation of Nature (IUCN)
United Nations Development Programme	The American Museum of Natural History
Global Environment Facility	Biodiversity Observation Network (BON)-Development Working Group
UNEP World Conservation Monitoring Centre	Conabio

ABOUT SOUTH AFRICAN NATIONAL BIODIVERSITY INSTITUTE

SANBI was established in 2004, as a statutory organisation under the National Environmental Management: Biodiversity Act (Act 10 of 2004) (NEMBA). SANBI has a broad mandate that is primarily derived from the NEMBA Act, but also from other legislation and processes over the past decade. SANBI is a public entity under the national Department of Environmental Affairs (DEA) that manages the country's network of national botanical gardens as biodiversity centres. SANBI provides invaluable (DEA) science-based support for my department to make sound policy decisions to protect and conserve our country's natural assets.



OUR VISION

SANBI's vision is biodiversity richness for all South Africans.



OUR MISSION

To champion the exploration, conservation, sustainable use, appreciation and enjoyment of South Africa's exceptionally rich biodiversity for all people.



OUR VALUES

SANBI is guided by the following organisational values which spell out "uGreat"



UBUNTU

harnessing, caring, sharing and being in harmony with all of creation.



GROWTH

nurturing and empowering teams and individuals to grow and reach their true potential



RESPECT AND TOLERANCE

creating open, honest relationships built on trust, mutual respect, dignity and fairness AND valuing and accepting individuals and diversity.



EXCELLENCE

providing service excellence through passion and professionalism.



ACCOUNTABILITY

taking pride and responsibility in our work and caring for our environment and communities.



TOGETHERNESS

through collaboration we change the world.



BIODIVERSITY SCIENCE AND POLICY ADVICE (BS&PA) EXTERNAL REVIEW

SANBI has over the last decade since its establishment, produced a substantial and evolving body of work towards fulfilment of its mandate. To recognise its achievements and confirm that its work remains relevant, a ten year review process (2006 – 2016) was initiated.

The review was undertaken from June to July 2017 and adopted a qualitative approach which included a self-assessment and individual and focused group interviews with internal and external stakeholders.

The review focused on:

- The quality, relevance and impact of BS&PA including SANBI's contribution towards national government priorities.
- SANBI's response to the changing socio-economic environment and to the challenges and opportunities created by such changes.
- SANBI's role in developing, retaining and transforming its (internal) human capital.
- An assessment as to whether SANBI is equipped in terms of resources, core competencies and capabilities to effectively deliver on its mandate.
- Making recommendations regarding SANBI's future strategic direction and operational execution of its mandate.
- How effectively SANBI operates at the science policy interface and whether it meets DEA's expectations in terms of provision of science evidence and policy advice.

The key findings and recommendations have proved to be valuable in terms of strengthening SANBI's research and policy support work. It found that SANBI is a well-functioning organisation, executing its mandate in a responsible and commendable way. Its science productivity and policy support work was highly commended. The review also identified a number of gaps that needed to be addressed and opportunities for SANBI to strengthen its role. The Biodiversity Research Strategy that SANBI is currently developing will address a number of the key recommendations from the review.



PERFORMANCE INFORMATION



PERFORMANCE INFORMATION

PROGRAMME 1: RENDER EFFECTIVE AND EFFICIENT CORPORATE SERVICES

PURPOSE

This programme represents the support areas which underpin all of SANBI's operational activities, which include financial management and sustainability; human resources management; marketing and communication; and information communication technology (ICT) services. This Programme is designed to ensure that SANBI is effective, efficient, accountable and responds successfully to changing conditions.

STRATEGIC OBJECTIVES

- SANBI is positioned as an employer of choice in the biodiversity sector
- Implement an effective, efficient and transparent supply chain and financial management system as regulated by PFMA
- Improved financial sustainability of the Institute
- Effective corporate services rendered to achieve the mandate of SANBI
- Building a compelling brand for all stakeholders.

KEY PERFORMANCE AREAS

- Human Resources
- Marketing and Communication
- Information Technologies
- Finance

PROGRAMME PERFORMANCE HIGHLIGHTS

- Hosting 10 interns on the DST-NRF internship programme
- Thirteen interns were hosted on the WWF-SA graduate internship programme
- SANBI received its 35th Gold Medal at the 2017 Royal Horticultural Society (RHS) Chelsea Flower Show
- Increased visitor numbers resulting in increased own income

KEY PERFORMANCE AREAS

- Percentage of payroll allocated and spent on staff development
- Transformed Institute that reflects the demography of the South African population

PROGRAMME PERFORMANCE

In the year under review 22 scientists and horticulturists on the Science Career Ladder submitted their portfolios for potential promotion, of these 15 were promoted. SANBI has 46 scientists and 25 horticulturists on a career ladder. The purpose of the career ladder is to have a system that rewards excellence and productivity and encourages development of scientists and horticulturists to reach their full potential.

Employee Profile (as at 31 March 2018) Contract and Permanent									
Race/Gender	AM	AF	CM	CF	IM	IF	WM	WF	Total
Number	287	178	78	70	4	9	37	59	722
Percent	39.7	24.7	10.8	9.7	0.6	1.2	5.1	8.2	100
New Appointments (01 April 2017 - 31 March 2018) Contract and Permanent									
Race/Gender	AM	AF	CM	CF	IM	IF	WM	WF	Total
Number	25	30	2	4	0	1	4	2	68
Percent	36.8	44.1	2.9	5.9	0.0	1.5	5.9	2.9	100

MCEBISI QABAQABA (NSF-WWF INTERNSHIP)



My experience with the internship over the past year has been very informative, adventurous and exceeded my expectations. When I arrived for the internship, never did I think that I will be so involved in the work that is being done in my unit. The internship has exposed me to so many opportunities and I have been learning different skills applied in the environmental and biodiversity sector that will make me better in the future both professionally and personal. I am more involved in the work that we do and I know how the work that I do impacts decisions at national level. The people that I work with have been very supportive and have been doing a great job in terms of my development.

PROGRAMME HIGHLIGHTS

SANBI hosted 10 interns on the DST-NRF internship programme, a programme aimed at “providing SET (Science, Engineering and Technology) graduates an opportunity to acquire practical work experience and improve their competencies through mentoring and exposure to a research environment”. These interns made a valuable contribution towards SANBI’s research programmes and many indicated that the internship gave them the opportunity to assess their chosen career paths and map career goals for the next few years. Two of these interns were appointed in permanent positions in SANBI.

Thirteen (13) interns were hosted on the WWF-SA graduate internship programme, all in scarce skills science areas. With increased knowledge and leadership skills (developed through workshops and outreach programmes organised and hosted by WWF-SA), these interns will certainly make their mark in the sector.

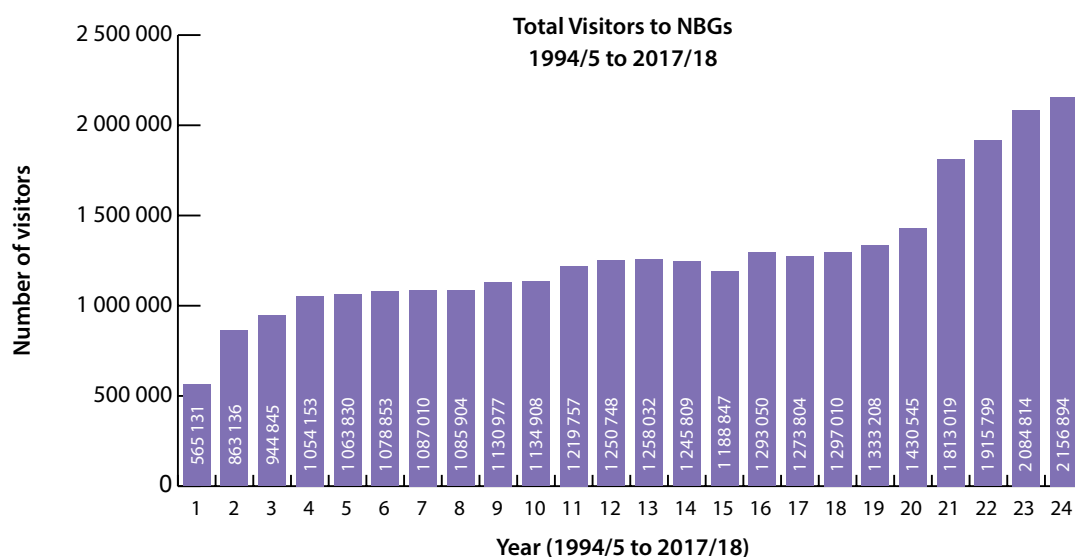
Towards the end of these internship programmes, the interns were given an opportunity to reflect on their experiences and present their key learning to staff at the Kirstenbosch Research Centre; many staff were in awe of the interns’ interpretation of SANBI’s role and contribution to science and policy. Several of these interns successfully applied for financial support towards Master’s and Doctoral studies.

In addition to the interns hosted on these two programmes, several other interns, work-integrated learning students, postgraduate students and postdoctoral fellows made a significant contribution to SANBI in the year under review. Several postgraduate students completed their studies (Honours x 6, Masters x 15 and Doctoral x 6).



MARKETING AND COMMUNICATION

SANBI Marketing and Communications Division assumes responsibility for both communication and marketing with a range of stakeholder groups and also the promotion of SANBI, advancing and expanding awareness of SANBI and its offerings both nationally and internationally. Its objective is to increase visitor numbers across all SANBI offerings. During the 2017/18 financial year, the organisation actively consolidated its sound communications base, utilising a variety of print and digital communication tools through which to interact with stakeholders, promote SANBI as a preferred destination for outdoor living and generate widespread awareness of the SANBI offerings. In working towards achieving these goals, the organisation utilises a diverse range of marketing tools to best communicate seamlessly all available products and services to different stakeholder groups.



Of critical importance was the positioning of the SANBI brand in the market, nationally and internationally. This was achieved through the media and providing information on each garden's attributes. Such exposure was augmented by the organisation's commitment to events hosted at different gardens. The combined number of visitors to all NBGs for the year totalled 2,156,894 which was three percent higher than the previous financial year (2,084,814) and the highest annual visitor number ever achieved by SANBI's network of gardens. The graph below is an indication of the increased footprint over the years, which also results in increased own income.

These numbers were attributed largely to promotion and hosting of events (including concerts, community markets, parkruns, boot camps, yoga classes, night/lunar trail runs, open air cinemas, flower shows, exhibitions/plant fairs and weddings) and use of the gardens by many tourists, members of the public and various interest groups. Other events hosted during the year were: Kaya FM, Mothers' Day Concert, Family Braai Day, Capital Craft Beer Festival, Biltong & Boerewors Festival, Jacaranda Spring Walk, annual University of Pretoria (UP) Spring Day Function, Help Seniors Walks, Adventure BootCamp for Women, Cosmo Run, ParkRun, lunar night runs, Banting markets, Outdoor film festival. Walter Sisulu NBG events hosted during the year included the African Bird Fair (Birdlife SA), Movie Nights hosted by Africa Sky Cinema, Easter Egg Hunt, Mother's Day concert, Father's Day market, Art in the Garden, Kaya FM #FamilyDay (in partnership with African Bank) and a stargazing event.

The organisation employs Facebook, Instagram, Twitter and YouTube to keep in touch with its range of stakeholder groups, regularly updating followers about imminent events and sharing information about each garden's unique selling points. With the adoption of a social media strategy SANBI has made great strides in reaching its audiences in the social space, with all platforms showing dramatic growth. During the review period,

LUTHER ADAMS (NSF-WWF INTERNSHIP)



"The deeper you go the better it gets." That statement perfectly captures my experience this past year. I started at SANBI's Marine Programme not having much knowledge of South Africa's marine biodiversity and the threats thereof. My socks were knocked off on day one as my mentor, Dr Kerry Sink, excitedly showcased some deep-sea video footage of various threatened fish and cold water corals. Immediately, astounded, I replied saying that I thought the sea floor was barren sandy wasteland. I was hooked. A few months thereafter I was off the coast of East-London assisting the ACEP: Imida Frontiers team with collecting video footage for foundational biodiversity research using a Remotely Operated Vehicle (ROV). We even managed to dive down to 230m! The highlight of this expedition was seeing some of the country's most threatened fish species. Another highlight of my internship was spending a week in the Kruger National Park at the Biodiversity Planning Forum and networking with the movers and shakers of biodiversity research in South Africa. Furthermore, during September I had the privilege of being one of the representatives for South Africa at the IOI-Regional African Ocean Governance Course. The whole month was an amazing experience meeting policy makers and scientists from all over the African continent. Lastly, it has been both a daunting and exciting experience supporting the ongoing development and support to the Marine component of the National Biodiversity Assessment (NBA 2018). I have acquired a priceless treasure trove of knowledge and experiences delving into the marine biodiversity of South Africa with the marine team here at SANBI

the organisation's social media experienced growth with Twitter proving by far to be the brand's strongest platform over the period.

SANBI regards the media as one of its most important stakeholder groups and continued strengthening its relationship with media houses during the course of 2017/18. The organisation's media liaison activities are designed to generate publicity opportunities for SANBI. During the 2017/18 financial year, a number of media releases were prepared and distributed nationally and internationally. Internationally, the main coverage SANBI received was during the Chelsea Flower Show where BBC broadcasted from the SANBI exhibition for 30 minutes using SANBI exhibit as a backdrop. SANBI received a lot of complimentary media coverage due to the strong relationships that have been formed between SANBI and the media houses. Coverage received totalled to R19 035 010.63.

A critical aspect of the organisation's media relations programme is the formation of partnerships with both the electronic and print media, a strategy which has paid dividends with the organisation enjoying an ever-stronger presence in the public domain. During the period under review, SANBI partnered with Standard Bank thus receiving television coverage by SABC 3 Afternoon Express, SANBI also received television coverage by TV Pasella-covering the Banting market for forty eight (48) minutes of iSpani coverage and a SABC TV programme featuring SANBI scientists. On the overall exposure included radio and television interviews with the chairperson of the board, chief directors, and scientists to mention a few.

SANBI exhibited at the Royal Horticultural Society's (RHS) Chelsea Flower Show in London for the 42nd consecutive year in May 2017 and was awarded its 35th Gold Medal. The exhibition was entitled 'Windows on biodiversity: around South Africa in 10 national botanical gardens'. In addition to its Gold medal, SANBI received the Royal Horticultural Society (RHS) President's Award as the best exhibition at the show, and as a result the stand received abundant exposure on BBC TV.





AVIWE HOMANI (NSF-WWF INTERNSHIP)



Overall I'd say my experience at SANBI has been riveting. I have learnt plenty. Choosing the biodiversity conservation route as a career, I knew I would never be far from research and that is something I highly prefer. Although my research career is at its dawn, the research orientation of my position here has encouraged me to enhance my education and to start thinking of a career in pollination ecology. I've always been fond of the outdoors, so being at SANBI has granted me ample time doing field work in spaces I love being in. I have never travelled as much as I have with SANBI which is great because it has given me interdisciplinary exposure into various fields like taxonomy, red listing, scientific methodology and experimental design skills, and policy work just to name a few. Being away, sometimes six weeks at a time (with no signal), and possibly facing lions (all for science) has been the ultimate "Are you sure conservation is it?" test. And sure enough it is. I'm continuously learning that research not only stimulates academic growth but personal growth as well; because I can now safely say that I am able to positively respond, contribute and adapt to new endeavours, unforeseen changes and challenges research work and life may bring.

The organisation also generated and distributed thousands of brochures and booklets, detailing useful information on SANBI offerings for visitors. These publications were disseminated at various exhibitions and shows like Indaba in Durban, World Travel Market (WTM) in Cape, Rand Easter Show in Gauteng and a few more.



PROGRAMME 2: MANAGE AND UNLOCK BENEFITS OF THE NETWORK OF NBGS AS WINDOWS INTO SOUTH AFRICA'S BIODIVERSITY



PURPOSE

SANBI manages South Africa's network of ten national botanical gardens, currently spread across seven provinces. The ten gardens combined manage over 7,400 ha of natural estate as well as over 200 ha of landscaped areas comprising documented collections of living plants, with their associated biodiversity, for the purposes of conservation, research, display and education. SANBI, through its national botanical gardens, classified internationally as conservation gardens, will expand and strengthen their role (as windows to South Africa's biodiversity) to provide a national footprint in nature-based tourism and showcase SANBI and South Africa's biodiversity.

OBJECTIVE STATEMENTS

- A network of National Botanical Gardens are managed and maintained in order to realize benefits to SANBI, civil society and other relevant stakeholders
- Nature-based tourism and recreational activities are strengthened in all National Botanical Gardens in order to contribute to and support SANBI's sustainability

KEY PERFORMANCE AREAS

- Increased representation and display of indigenous plants in the living collections of SANBI's NBGs or the Millennium Seed Bank Partnership
- Number of new NBGs established and operational
- Number of maintenance, development and capital projects completed across SANBI's NBGs
- Visitor number percentage increased through expanded tourism-related activities and events in NBGs.

PROGRAMME HIGHLIGHTS

- Implementation of SANBI's Gardens Expansion Strategy (2016–2030) continued with SANBI taking over the management of the Thohoyandou Botanical Garden from Limpopo Economic Development, Environment and Tourism (LEDET) in the Limpopo Province. Processes needed to have this garden declared as a national botanical garden continued with a range of national and provincial government departments.
- A MoU was also developed between SANBI and SANParks for a proposed Richtersveld Desert Botanical Garden earmarked to be developed as a demonstration garden in Sendelingsdrift Camp in the Richtersveld National Park, Northern Cape.
- The Free State, Karoo Desert, Kirstenbosch, Walter Sisulu, Harold Porter and Lowveld NBGs and Pretoria National Botanical Garden all received Certificates of Excellence on TripAdvisor as attractions that consistently earn great reviews from travellers.
- The combined number of visitors to all NBGs for the year totalled 2,156,894, which was 3% percent higher than the previous financial year (2,084,814), and the highest visitor number ever recorded by the gardens. This is the second successive year in SANBI's history that more than two million visitors were received by the NBGs.
- Historically best-ever visitor numbers for the year were received for the following gardens: Free State, KwaZulu-Natal, Lowveld, Pretoria and the Walter Sisulu NBG.
- The new Dawidskraal River Maintenance Management Plan (MMP) for the Harold Porter NBG was approved by DEA and implementation begun with support from Working for Wetlands.
- A business plan for using the significant private bequest left to Kirstenbosch National Botanical Garden by the late Mrs Joan Wrench was developed by SANBI and approved by the Board for implementation.
- The Kirstenbosch summer sunset concerts were attended by 134,040 visitors, a 7% increase on the previous financial year (125,315). All concerts hosted at Kirstenbosch during the summer season generated R17, 716,100 in ticket sales and venue hire fees.



- SANBI's project sponsored by the National Department of Tourism was implemented through enhancing the tourism visitor experience in the Walter Sisulu NBG and installing solar panels in the Karoo Desert, Hantam and Free State NBGs as part of the NDT's Renewable Energy Retro-fitment pilot project.
- The Chief Director: Conservation Gardens & Tourism served on Botanic Gardens Conservation International's International Advisory Council as well as being elected as a Council member for the International Association of Botanic Gardens. He was also requested to serve on the University of Mpumalanga's Advisory Board of their Diploma in Nature Conservation for a three-year term.

PROGRAMME PERFORMANCE

Implementation of SANBI's Gardens Expansion Strategy (2016–2030) continued in 2017/18 with the development of a Memorandum of Understanding with SANParks for the joint establishment and management of the Richtersveld Desert Botanical Garden in the Richtersveld National Park, as a demonstration garden conserving indigenous plants representative of South Africa's Desert Biome. In addition, SANBI took over from LEDET the management of the Thohoyandou Botanical Garden based in Thohoyandou, Limpopo Province. It is expected that the Thohoyandou Botanical Garden will become South Africa's 11th national botanical garden. A landscape design plan was developed for the garden as well as a plan developed for the upgrading of existing infrastructure in the Garden in 2018/19. SANBI received from the national Department of Tourism a sponsorship for upgrading existing facilities and development of new tourism-related infrastructure for the garden over the next few years. The DEA Minister also declared, on 9 June 2017 (Government Gazette No. 40898, no. 541), erf 5562 (1, 3616 ha in size) as an extension to the existing Harold Porter National Botanical Garden, Betty's Bay, Overstrand Municipality. The Garden now includes an entire river system within its boundaries, from source to sea.

South Africa's network of NBGs continued to be consolidated and expanded through the development and finalisation of four management plans (Infrastructure Management Plan, Stakeholder Engagement Plan, Fire Management Plan and Alien and Invasive Species Management Plan) for the 160 ha portion of the Kwelera NBG in East London, in partnership with the Eastern Cape Parks & Tourism Agency (ECPTA). Phase 2 of the establishment of the Kwelera NBG was advanced through the Minister of Environmental Affairs publishing an Intention to Declare notice for the 10.48 ha portion of SANBI land as an extension to the existing Kwelera NBG. Formal declaration of this land portion by the Minister of Environmental Affairs is expected in the new financial year. A landscape design plan was completed for the 10 ha portion of land by landscape architects appointed by SANBI. The Kwelera NBG became a member of the Greater Stutterheim Fire Protection Association (GSFPA) in November 2017. A learning exchange also took place between staff attached to the Kwelera NBG and staff of the Hantam NBG and Harold Porter NBGs, and the Garden hosted its first Coastal Cleanup Day with members of the local community in September 2017. Garden shared the stats recorded on Ocean Conservancy's international Ocean Trash Data Form with residents of Kwelera Village, Sunrise-on-Sea and Rainbow Valley. 23 trash bags were filled on the day, despite the rainy conditions experienced. 340 plastic beverage bottles were picked up, as well as 190 fishing line pieces and 180 glass beverage bottles.

Two new garden Curators were appointed during the year: Mr Mufhati Bulannga in the Thohoyandou Botanical Garden and Ms Sthembile Zondi in the KwaZulu-Natal National Botanical Garden.

Led by Kirstenbosch, South Africa's NBGs received their highest ever number of visitors and own income generated since the establishment of the network more than 104 years ago. A Business Plan was developed for the use of a generous private bequest left to Kirstenbosch NBG by the late Mrs Joan Wrench. An initial set of projects earmarked for implementation using funds from the bequest in 2018/19 include (a) internal upgrades to the existing Gold Fields Education Centre to become the Joan Wrench Learning Centre, as well as (b) sponsored transport for disadvantaged individuals (learners, senior citizens, disabled) to Kirstenbosch and the Joan Wrench Learning Centre and (c) the establishment of a scholarship fund, known as the Joan Wrench Scholarship Fund, which will be established by SANBI and used to provide funding for scholarships and internships to previously

PAULA STRAUSS (NSF-WWF INTERNSHIP)



As a WWF graduate intern at SANBI, Kirstenbosch, I've had a great deal of opportunities. Apart from my day to day responsibilities of molecular laboratory work, completing running projects on vipers (*Causus*), starting new projects on cobras (*Naja*), garter snakes (*Elapsoidea*) and coral cobras (*Aspidelaps*) and barcoding various species from the Democratic Republic of the Congo, there have been a few unique moments to my time here. I've had the privilege to rub shoulders with the giants in my herpetological field during an IUCN workshop in June this year. Once again realizing how much work still has to be done on our diverse South African herpetofauna. Furthermore, I've had the pleasure of monitoring the Critically Endangered Rose's Mountain toadlet (*Capensibufo rosei*), which appears to be influenced by the Western Cape's drought. More recently, I formed part of the team surveying reptiles and amphibians in various areas in the Karoo as part of the Karoo BioGaps project. The latter, being my greatest highlight as many species I've only seen in books and read about. Holding those species in my hands is an indescribable experience. On a personal level, I've met great people, passionate and intelligible in their various fields. It gives me hope that our biodiversity heritage will remain in good hands as there will always be people eager to conserve and protect it.

disadvantaged individuals (for garden-based students studying horticulture and nature conservation, as well as education and research) to Kirstenbosch specifically.

The Sisulu Circle, a feature commemorating the life and service of the late Walter Sisulu, was completed in the Walter Sisulu National Botanical Garden, with sponsorship received by the national Department of Tourism. The Karoo Desert NBG received a donation from BotSoc towards improved interpretive signage in the garden, and the Free State NBG received a donation from BotSoc for a new restaurant deck.

For the fourth year in succession in its 104-year history, Kirstenbosch received more than a million visitors during the financial year. The Free State NBG completed its 50th anniversary year in 2017. The Walter Sisulu NBG continued to host BirdLife South Africa's annual African Bird Fair. The Pretoria National Botanical Garden hosted the annual Discovery Jacaranda FM Spring Walk. The Free State NBG received the Golden Award at the BloemShow 2017, for a third year in succession. The KZN NBG received a Silver Medallion Award at the 2017 Royal Show, Pietermaritzburg and hosted the Art in the Park festival, an outdoor fine art and craft exhibition, in partnership with the Msunduzi Pietermaritzburg Tourism Association and Creative Arts. SANBI exhibited at INDABA and received a Silver Award. The Pretoria Garden received three Best of Pretoria Reader's Choice Awards for 2017: (a) Pretoria's Best Kept Secret, (b) Best Place to get back to nature, and (c) Best Must-hire venue for private functions.

As part of the Botanical Gardens Conservation International (BGCI) partnership objectives, Livhuwani Nkuna and Dineo Dibakwane were nominated to participate as trainers in the seed conservation training in Kenya. The training was coordinated by BGCI in collaboration with Mt Kenya Forest, Kenya Forestry Research Institute (KEFRI). The training was a great success with over 30 local community trainees receiving seed conservation certificates, which allows them to collect and supply seed of the wild species for the Kenyan government's conservation objectives and commitments.

SANBI continued to implement the Millennium Seed Bank Partnership project in South Africa





**MAXINE MANICKUM (KZN HERBARIUM
INTERNSHIP, NOW RESEARCH ASSISTANT)**



Each year brings new possibilities, learning opportunities and self-growth. Each year is a time to try and be better and do better than the previous year. This past year was not just filled with 365 days for me, but it was 365 days of teaching, growing, developing, challenging and pushing myself past my limit. I have grown academically, emotionally and mentally in this year through my internship. Every day is a learning day for me, every day is a day to improve on myself and every day is a day I use to try and be the best that I can be at my job. Through my internship at SANBI, I have not only gained work experience, but also life lessons. I had the pleasant opportunity to attend workshops, trainings and seminars this year. These forums not only helped me add to my skill sets, but also allowed me to visualise the importance of what I do and how it plugs into the broader scope of SANBI. Usually an internship equips an individual with the necessities needed to perform work duties at a specific company, and also prepares one for the working world. My internship at SANBI has not only equipped me to perform my current work duties, but has empowered me with the skills and knowledge needed to apply myself to other spheres.

“Education is not the learning of facts, but the training of the mind to think” Albert Einstein

with resources committed from the Royal Botanic Gardens, Kew. New Seed Collectors were appointed on contract in several gardens during the year.

SANBI exhibited at the Royal Horticultural Society's (RHS) Chelsea Flower Show in London for the 42nd consecutive year in May 2017 and was awarded its 35th Gold Medal. The exhibition was entitled 'Windows on biodiversity: around South Africa in 10 national botanical gardens'. In addition to its Gold medal, SANBI received the Royal Horticultural Society (RHS) President's Award as the best exhibition at the show, and as a result the stand received abundant exposure on BBC TV.

The combined number of visitors to all NBGs for the year totalled 2,156,894 which was three percent higher than the previous financial year (2,084,814) and the highest annual visitor number ever achieved by SANBI's network of gardens. This matched the original 2017/18 APP target in Programme 2 for the year-on-year percentage increase in visitor numbers for 2017/18 of 3%, but not the revised target of 5% annual increase. Visitor numbers for the financial year increased year-on-year in the following gardens: Free State, Karoo Desert, KwaZulu-Natal, Lowveld, Pretoria and the Walter Sisulu NBG. Historical best-ever visitor numbers were reported by the following gardens: Free State, KwaZulu-Natal, Lowveld, Pretoria and Walter Sisulu NBGs. These numbers were attributed largely to promotion and hosting of events (including concerts, community markets, parkruns, boot camps, yoga classes, night/lunar trail runs, open air cinemas, flower shows, exhibitions/plant fairs and weddings) and use of the gardens by many tourists, members of the public and various interest groups. The Pretoria Garden hosted the following events during the year: Kaya FM, Mothers' Day Concert, Family Braai Day, Capital Craft Beer Festival, Biltong & Boerewors Festival, Jacaranda Spring Walk, annual UP Spring Day Function, Help Seniors Walks, Aventure BootCamp for Women, Cosmo Run, ParkRun, lunar night runs, Banting markets, Outdoor film festival. Walter Sisulu NBG events hosted during the year included the African Bird Fair (Birdlife SA), Movie Nights hosted by Africa Sky Cinema, Easter Egg Hunt, Mother's Day concert, Father's Day market, Art in the Garden, Kaya FM #FamilyDay (in partnership with African Bank) and a stargazing event.

Annual visitor numbers for Hantam NBG (968; compared with 3,313 in 2016/17) were 71% down compared with the previous year due largely to there being no spring flowers (and subsequently fewer tourists visiting the region/garden) due to the severe drought and lack of rainfall in this region of the Northern Cape.

The annual sponsored Sappi Mother's Day Concert was held in the Lowveld NBG on 14 May 2017, with 3,600 people in attendance. The KZN Garden exhibited at the Mandela Day event that was hosted by DAFF (Department of Agriculture Forestry and Fisheries). This exhibit was focusing at educating communities in Ulundi about environmental conservation and environmental education activities that SANBI offers and also exposing the SANBI brand in the northern KZN region. As part of Mandela Day activities, the KZN Garden hosted the third annual toiletry drive, where the public was given free entry into the garden, provided they donated toiletries or sanitary pads. The garden open day also had a treat for the children, as they played in the newly revamped children's play area. There was face painting, a jumping castle, games and entertainment from a dance group called 'Twilight'. The Garden donated toiletries and sanitary pads to Msimude High School in Sweetwaters Village, Pietermaritzburg. The Free State Garden participated in the National Tourism Careers Expo (NTCE) 2017 as part of Tourism Month 2017. The 2017 event was held from 28 to 30 September at the PACOFS, Bloemfontein, under the theme Tourism Alive with Possibilities. The annual Winter Wonders at Kirstenbosch programme was held during the winter school holidays in Kirstenbosch.

A new Betty's Bay Parkrun was initiated in the Harold Porter NBG in March 2018 and has so far attracted more than 300 runners every Saturday morning. The Pretoria NBG's parkrun (started in December 2014) attracts an average of 790 runners every week (maximum recorded for one event is over 2,000 runners), has hosted 150 runs since inception and hosted more than 31,000 runners from over 320 clubs since it started.

Special days hosted in the various gardens included Wellness Days (with TB screening available), World Aids Day and Biodiversity Crime Awareness Day, amongst others. The Free State, Harold Porter, Karoo Desert, KwaZulu-Natal, Pretoria, Walter Sisulu and Kirstenbosch NBGs all actively managed facebook pages. External Health and Safety Audits were conducted across all NBGs.

The Kirstenbosch summer sunset concerts were attended by 134,040 visitors, representing a 7% increase in the number of visitors attending concerts (125,315) in 2016/17. All concerts that were hosted at Kirstenbosch during the summer season generated R17, 716,100 in ticket sales and venue hire fees. For the first time since the Kirstenbosch concerts were started 24 years ago, two international artists were included in the programme, namely Ismaël Lô of Senegal, and The Christians from the U.K. In addition, various promoters hired the Kirstenbosch concert venue for international acts that included Yusuf Cat Stevens (UK), Texas from Scotland and Morcheeba from the UK.

SANBI took the decision to cease the sale of seed to the public by the Kirstenbosch Seed Section. The sale and export of seed is in contravention with a number of international conservation conventions. The operation of the Seed Room will in future concentrate on the collection and cleaning of seed for conservation and restoration work.

A new SANBI Western Cape Gardens Water Management Committee was established in November 2017 to monitor the impact of drought in the Western Cape gardens and develop possible mitigation measures.

An environmental sustainability design consultant appointed by SANBI focussed their efforts on water conservation efforts in the three Western Cape Gardens as well as the Hantam NBG. The final scope of work was finalised early in 2018/19 and a tender process will follow in 2018/19 to implement specified areas of work.

The long-anticipated wetland rehabilitation project at Kingfisher Lake, KZN NBG, was completed during the year, which included the renovation of the dam wall. The dredging work resulted in the removal of 868 truckloads of silt, totalling a volume of 8,246 m³ and an approximate mass of 9,933 tons being removed from site. The project for construction of an irrigation reservoir at the Lowveld NBG was terminated due to no viable borehole water being discovered, in spite of four test holes being drilled.





SANBI's project sponsored by the National Department of Tourism (NDT) for enhancing the tourism visitor experience in the Walter Sisulu NBG and installing solar panels in the Karoo Desert, Hantam and Free State NBGs as part of NDT's renewable energy retrofitment pilot project, was successfully completed. A joint oversight visit by Parliament's Select Committee (SC) on Trade and International Relations, and SC on Economic and Business Development visited the Free State NBG in September 2017 to view the National Department of Tourism's solar photo-voltaic (PV) installation project in the Free State.

SANBI signed a MoU with the University of Mpumalanga (UMP), with close collaboration and mutual support anticipated between the Lowveld National Botanical Garden and the UMP, both located in Mbombela, Mpumalanga.

A hacking group from the KZN Inland Branch of BotSoc and other interested individuals have adopted an area in the natural estate for maintenance and eradication of alien species.

The 31st annual Garden Curators Week was held at the Free State NBG in October 2017 and a National Interpretation Week and National Educators Week also held during the year. The Harold Porter NBG hosted a Plant Fair from 15-17 December 2017. Summer Sunset concerts hosted in the Harold Porter NBG in December 2017 included the artists Andrew Young Entertainment, Gugulethu Tenors and Emo Adams.

Good progress continued in the implementation of SANBI's DEA-funded Infrastructure Programme, with significant investment for improving and refurbishing the organisation's buildings (including offices, education centres, staff facilities, guest houses, and restaurants/tea rooms) and related infrastructure (such as roads, pathways, parking areas, security infrastructure, bridges, irrigation and sewerage systems), information technology infrastructure as well as research equipment and vehicle recapitalisation. Since the start of the three-year Infrastructure Programme in 2013/14, 40 formal infrastructure and professional services-related tenders (valued at over R500,000 each) with a combined value of R139,259,822 have been processed and 56 contracts below R500,000 have been signed for

FEZILE MATHENJWA (CREW INTERNSHIP)



On the whole, so far my internship journey has been a truly amazing one. The projects that have been allocated to me are very interesting and rewording, as I have the opportunity to work in the field and office environment. The field work has to be the highlight of my internship, my breath has been taken away so many times by the various landscapes I have done field work in, the dry Karoo landscapes and the Cape seascapes and mountains alike, but plant monitoring in the snowy Jonaskop mountains has been the best field memory by far. The possibility of finding a species that haven't be seen for decades has been extremely thrilling and a successful find is absolutely exhilarating. The nature of the working environment in Custodians of Rare and Endangered Wildflowers (CREW) programme and SANBI in general, has been great, it provided me with endless career development opportunities which, I can confidently say, have really harnessed my career and personal life. The opportunity to learn from the different individuals I meet here, more especially my mentor Ismail Ebrahim, Gigi Laidler, Dewidine Van Der Colff and fellow interns Randall Josephs and Luke Gallant has been absolutely amazing and the memories we have shared together are worth treasuring.

professional services or minor construction works for infrastructure, with a combined value of R8,814,191. Since the start of the three-year infrastructure programme spanning the MTEF 2016/17 – 2018/19, a further 13 contracts over the value of R500,000 have been signed with a total value of R94,506,596 and 18 below R500,000 with a total value of R3,127,802. This brings the total value of contracts under the two programmes to R233, 766,418 for 53 contracts over R500, 000 and R11, 941,993 for 74 contracts below R500, 000. Aligned with SANBI's mandate in NEMBA, new Education Centres were designed for the Karoo Desert-, KwaZulu-Natal- and Harold Porter NBGs as part of SANBI's Infrastructure Programme. Construction started in all three gardens, and the new facilities are all expected to be completed in the 2018/19 financial year.

The new Dawidskraal River Maintenance Management Plan (MMP) for the Harold Porter NBG was approved by DEA and implementation started, with support received from workers appointed under DEA's Working for Wetlands Programme. Working for Wetlands also supported the employment of workers in the Free State, Walter Sisulu and KwaZulu-Natal NBGs to assist with wetland and estate/catchment maintenance. Participants under DEA's Youth Environmental Service (YES) Programme were hosted in several gardens through agreements signed with programme implementers. The YES Programme is an environmentally focused youth development training programme that is funded by DEA. It aims to recruit and train 130 unemployed youth per year over a two-year period per province. Participants are part of the programme for one year, during which they receive accredited and non-accredited training and are provided with mentored workplace integrated learning opportunities.

The Karoo Desert NBG continued with its programme of creating small gardens across the Breede River Valley and Little Karoo to act as small windows into the Karoo Desert NBG's offerings and to sensitise local communities to the value of gardening with local indigenous plants. The KZN NBG hosted the prestigious art sale exhibition in the garden's London Plane Tree Avenue 'Art in the Park', and received huge media coverage. The Roodepoort Helderkruijn Lions Club sponsored and officially launched a new Sensory

BAHIA BRADY (NSF-WWF INTERNSHIP)



My internship so far has provided me with the opportunity of going to the Seamester II cruise, on board the SA Agulhas II. This cruise was about oceanography research at sea and exposed me to topics such as biogeochemistry and how oceanography research and marine science complement each other. I have also been fortunate enough to attend the joint Biodiversity information management/ foundational information biodiversity programme forum, learning all about biodiversity management and an introduction to georeferencing. We have our Gauteng outreach project that will be happening next week, and I look forward to being able to give back and uplift young learners' lives/ experiences in the science field. Overall, it has been a good experience with great support from my mentor, and I am excited to be attending a model-based multivariate course in the last quarter of my internship.



Braille Trail in the Walter Sisulu National Botanical Garden, whilst the Pretoria Garden received a sponsorship of seven benches from the Pretoria Lions Club. The Braille Trail for the Walter Sisulu National Botanical Garden was installed at the People's Plants Garden and the braille interpretation booklet developed by the Garden's Interpretation Officer, with the assistance and support of Blind SA.

Certificates of Excellence were presented from TripAdvisor, the world's largest travel site, to the following NBGs that consistently earned great reviews from travellers: Free State, Harold Porter, Karoo Desert, Kirstenbosch, Lowveld, and Walter Sisulu NBGs, and Pretoria National Botanical Garden.

Some R10,957,837 has been spent over the past five years on procuring 39 new, more efficient and low-maintenance vehicles across SANBI, including sedans, tractors, bakkies, and trucks. In addition, research equipment to the value of R4, 185,867 and information technology-related infrastructure to the value of R22, 093,255 have been provided. Major projects completed by the end of the financial year included: dredging of the Kingfisher Lake and re-establishment of the wetland at the KZN NBG, revamping and opening of the interpretive Kitso Eco-Centre, and upgraded staff and administration facilities in the Walter Sisulu NBG; repairs, upgrading or replacement of fencing at the Pretoria National Botanical Garden, and the Walter Sisulu and Lowveld NBGs; and the installation of six standby emergency generators at the Pretoria National Botanical Garden (including the garden and the National Herbarium) was completed in the financial year. Construction continued on the new, long-awaited Kirstenbosch administration building, replacing the temporary prefab structures used as offices by SANBI's Kirstenbosch-based Human Resources, Finance and Information Technology sections for the past 30 years. Staff are expected to move into the new administration building in 2018/19.

SANBI's NBGs continued their collaboration with Ms Trudy Paap from the Forestry and Agricultural Biotechnology Institute (FABI), University of Pretoria. The project, entitled 'Monitoring tree health at sentinel sites in South Africa: botanical gardens and arboreta', aims to improve surveillance and identification of new and emerging pest and pathogen risks by using botanical gardens and arboreta as sentinel sites for tree health monitoring in South Africa. The project is linked to the International Plant Sentinel Network that provides a platform to coordinate information exchange and support for sentinel plant research within botanic gardens and arboreta worldwide. Plant pest monitoring and prevention workshops for Gardens staff were hosted in the Pretoria-, KZN- and Kirstenbosch NBGs in November 2017.

SANBI's Career Ladder for Horticulturists continued to be implemented during the year. A new dedicated estate manager was appointed for the first time in the Lowveld NBG. Various garden staff participated in work-related training courses, SANBI's staff exchange programme, wellness day events and workshops through the year.

PROGRAMME 3: FOUNDATIONAL BIODIVERSITY SCIENCE

PURPOSE

The outputs of Programme 3 underpin the SANBI value chain by providing foundational information on biodiversity that forms the basis for SANBI's assessment and monitoring work (Programme 4) and provides an essential input into biodiversity planning and policy advice (Programme 5). The programme addresses key questions relating to what biodiversity occurs in South Africa (genes, species and ecosystems), how it can be named and classified, and where it occurs.

OBJECTIVE STATEMENT

- Develop foundational biodiversity information through describing and classifying species and ecosystems in South Africa.

KEY PERFORMANCE AREAS

- Number of publications (scientific and popular articles) generated
- Number of herbarium specimens digitised
- Number of species (animals and plants) occurrence data generated
- Number of species (animals and plants) pages developed

PROGRAMME PERFORMANCE

A complete account of the flora and fauna of southern Africa remains the focus of this Programme. The inventory of the flora/botanical diversity is currently being undertaken through regional floras such as the Karoo Flora, the Eastern Cape Flora, the Free State Flora, and the Kwazulu-Natal Flora. This entails developing and maintaining national collections on biodiversity; undertaking, co-ordinating and leading biosystematics research; and classifying and mapping ecosystems. More than forty peer reviewed scientific articles were published (exceeding the target); Descriptive information on 4200 plant species and 1000 animal species were compiled. More than 21 000 herbarium records and specimens were verified and prepared for databasing. Also, for the animal species occurrence data, more than 35 000 records were collated from partner institutions for databasing.

Partnerships with a range of museums, science and research institutions have enabled the Programme to leverage expertise nationally to document South Africa's biodiversity at a faster rate. Through these programs, SANBI has been able to partner with museums (national and provincial), science councils (), NRF Research Facilities (NZG, SAEON, SAIAB), and twenty Universities (CPUT, DUT, NWU, Rhodes, Sefako Makgato, SU, TUT, UCT, UJ, UKZN, UNISA, Univen, FH, UFS, UL, University of Mpumalanga, UP, UWC, Wits).

PROGRAMME HIGHLIGHTS

The Plants of the Free State – an inventory and identification guide, Strelitzia 38 (E. Retief & N.L. Meyer, eds) was published. This floristic account of the Free State provides descriptions of 218 families, keys to 947 genera, and descriptions of 2 954 species (including 344 alien species).

Some FBIP funded projects lead to the following achievements:

- BioGaps project – large number of new species (e.g. 15 grasshoppers, several plants) in the Karoo - an area previously thought to have low levels of biodiversity but under increasing pressure from mining.
- Tour guides from Ndumo Game Reserve trained in how to find and identify frogs with the aim of including frogs in the safari packages offered to tourists. A frogging experience at Ndumo Game Reserve is already being advertised. Bilingual guide being published. Floral survey of the Stormberg in E Cape – 961 records
- Identification of microbes in rhizosphere of Honeybush and Rooibos plants – 156 records; bacteria – 139 records





- Mountain catfish – survey and taxonomic data covering 234 records, 100 specimens of these being barcoded and with measurements.
- Scallop population genetics – 34 specimens sequenced.
- Database of mushroom pathogens – sequences and identifications for 16 species, 144 specimens.
- Barcoding of marine molluscs – 162 species and 344 specimens, also new records.
- One baobab species or two? – 133 records with measurements and sequence data to determine if there is only one species of Baobab or more, and scientific paper was written on this.
- Frog survey of KZN – 431 records but includes barcoding of 29 species, training of tour guides, community engagement, and production of a book.
- Seakeys – 106 394 specimen records (fish, invertebrates from collections, historical archival records); 21 226 citizen science observations through iSpot; 336 species pages; 193 species and 1 295 specimens barcoded.

HUMAN CAPITAL DEVELOPMENT:

- Mrs Thuli Mahoba, Mr Luvo Magoswana, Dr Anthony Magee and six postgraduate students from the Compton Herbarium presented research at the South African Association of Botanists Annual Conference hosted at Pretoria University in January 2018
- SANBI doctoral student (and previous SANBI NRF intern), Dr Robyn Powell, was awarded the bronze medal from the South African Association of Botanists for the Best Botany PhD Thesis of 2017.
- Mr Luvo Magoswana was awarded his MSc degree with distinction (average mark of 88%)
- Dr Anthony Magee attended and presented research results at the International Barcode of Life conference in the Kruger National Park (also served on the national scientific organising committee for the conference)
- Dr Anthony Magee was invited and appointed as Associate Editor for the international journal Mediterranean Botany
- Dr Anthony Magee was invited and appointed as Subject Editor for the international journals PhytoKeys and Biodiversity Data Journal
- Prof John Manning and Mrs Hannelie Snyman developed a protocol for accelerated, first-tier data clean-up of occurrence records database (BODATSA). This protocol has been adopted by the Natural Science Collections Facility for the cleaning of botanical datasets from other participating institutions.
- Dr Marianne Le Roux attended the International Botanical Congress in Shenzhen, China during July 2017 where she presented a talk on “The e-Flora of South Africa: an alternative method to compiling an online Flora as a contribution towards the World Flora Online initiative”. She also presented a talk titled “An alternative method to create an e-Flora for South Africa by 2020” at the Museum of Natural History, University of the Philippines, Los Baños campus on the 2 August 2017. During the trip she engaged with staff at the National Herbarium in Manila, and the Department of Environment and Natural Resources in Baler, and visited the Aurora Memorial National Park in Baler, Philippines.
- Dr Ronell Kloppe attended the International Botanical Congress in Shenzhen, China during July 2017. She presented a poster on collaborative research on aloes and a talk on the history and utility of the South African Plant Checklist in the World Flora.
- More than 30 staff from the three Biosystematics herbaria will attend the National Scientific Collections Facility Forum in KwaZulu-Natal from 17-20 October 2017.
- She was co-author on a presentation on the e-Flora of South Africa project. She also represented SANBI at the Nomenclature Section session at the Congress. Here, she participated in discussion and voting on proposals to amend the International Code of Nomenclature for Algae, Fungi and Plants where she carried 14 votes from eight South African herbaria.

- Mr Pieter Bester attended the International Botanical Congress in Shenzhen, China during July 2017; During his overseas trip he presented a talk on aspects of his research and fieldwork in South Africa to the staff of the Natural History Museum, University of the Philippines, Los Baños campus.
- The Biosystematics Division co-hosted with the University of Pretoria the 44th Annual Conference of the South African Association of Botanists (SAAB) from 10 – 13 January 2018 where the new CEO of SANBI, Dr Moshibudi Rampedi, gave an opening Key Note address. More than five ten SANBI scientists presented findings from their research work.

The foundational biodiversity outputs allow SANBI to generate vegetation maps and ecosystems classifications (for terrestrial, marine, freshwater and estuarine ecosystems); provide reliable and rapid identifications of species; perform assessment of the threat status of taxa (i.e. ability to indicate rarity and Red Listing for species); and allow SANBI to provide science based-input to conservation plans and policy advisories.

Ecosystem classification systems and maps are essential for many assessment and planning activities. SANBI has been working with the CSIR, Nelson Mandela University, and the many collaborators to revise the vegetation map, the wetland ecosystem map, coastal ecosystem map, marine ecosystem map and estuarine ecosystem map for South Africa. Only the river ecosystem classification system remains unchanged from National Biodiversity Assessment (NBA) 2011. These updated maps and classification systems reflect advances in the understanding of ecosystem composition and configuration, and are underpinned by independent research and by processes initiated by SANBI and partners specifically for the NBA 2018. A unique and exciting element to the current ecosystem mapping effort is the close collaboration between the experts in the different realms, facilitated by the National Ecosystem Classification Committee and the NBA Core Reference Group. The goal is to produce an integrated ecosystem map for the NBA 2018 and this means aligning mapping processes and ecosystem concepts at the interfaces between the realms. This is

MIKHAILA GORDON (NSF-WWF INTERNSHIP)



My experience as an intern these past few months have been rather challenging, in that I've learnt the need to be proactive and have a strong willingness to put myself out there. This has helped me to network a little bit more within the SANBI organisation and be exposed to various departments. A few highlights consisted of taking minutes for an international Plant Conservation Sub-Committee, in which representatives from mega diverse countries came together to discuss action plans on improving the state and progress of assessing plant species for the IUCN Red List. In addition, I have assisted a PhD student from the molecular laboratory of herpetology, in which I have managed to not only increase my knowledge on molecular analyses but also improve my skills on the various processes. Recently, I've tagged along on a mini project that monitors a critically endangered frog species, *Capensibufo rosei* that is only found within Silvermine Nature Reserve. It was a great pleasure being witness to the metamorphosis process these little creatures went through. Furthermore, being a WWF intern, it is requirement to create and execute an outreach project of our choosing. My team and I have decided to enrich the minds of disadvantage students at primary school level, focussing on environmental impacts and issues, as well as to give them the opportunity to visit places like the beach as well as the Two Oceans Aquarium.



well illustrated by considering an estuary mouth where the terrestrial vegetation, wetlands, coastal ecosystems, estuarine functional zone and marine inshore realms all meet. South Africa is likely one of the few countries in the world to have such a detailed integrated ecosystem type map.

The work on marine ecosystem classification illustrates the work that underpins such an endeavour – teams have been established to deal with bays, coastal areas, sediments, reefs, deep ocean and kelp beds. Improving the marine ecosystem map has drawn from more than 40 new data sets and new information has been obtained from research cruises which collected data to support marine habitat mapping.

In addition to the implementation of the Foundational Biodiversity Information Programme (FBIP) to mobilise biodiversity data nationally through research grants for small and large projects, the Programme with financial support from the Department of science and Technology (DST) launched for implementation the National Science Collections Facility (NSCF). This is a distributed facility of museums and herbaria nationwide with the purpose of securing the collections to support research and facilitate biodiversity research and thus contribute to the knowledge and green economy.

PROGRAMME 4: ASSESS, MONITOR AND REPORT ON THE STATE OF BIODIVERSITY AND INCREASE KNOWLEDGE FOR DECISION MAKING



PURPOSE

This programme builds on foundational biodiversity information (Programme 3) through additional research, assessment and analysis. The aim is to deliver comprehensive assessments of the state of biodiversity and to strengthen the knowledge base that informs SANBI's contributions to policy and decision-making relating to managing biodiversity as well as optimizing its benefits to people.

STRATEGIC OBJECTIVES

- New biodiversity knowledge created for decision making
- Scientific evidence on the status of biodiversity (based on monitoring and assessment including that of biodiversity loss) and the risks and benefits, is produced

KEY PERFORMANCE AREAS

- Research
- Biodiversity assessments
- Monitoring

PROGRAMME HIGHLIGHTS

- Completion of the National Status Report on Biological Invasions and their Management in South Africa, the world's first assessment of the status of biological invasions at a country level.
- Publication of 85 scientific papers
- Workshops on illegal wildlife trade, focusing on the analysis of internet trade and social media data were convened in collaboration with international partners from the Universities of Kent and Helsinki
- SANBI initiated a collaborative research project with the Universities of Witwatersrand and Oxford to understand South Africa's captive lion breeding industry and implications for lion bone trade and the development of a lion bone export quota.
- Apps developed by SANBI to support enforcement agencies working on illegal wildlife trade were completed and made available on the Google Play Store and iStore (iIdentifyIt-Species; iIdentifyIt-Cycads).
- SANBI scientists led a team to the Sky Islands of Mozambique to survey reptiles, amphibians, fish and plants. This forms part of SANBI's strategy to assist with regional biodiversity assessments and capacity development. Several new species of chameleons, lizards and frogs were discovered in the mountain forests and have been used to motivate for the listing of the Sky Islands as Key Biodiversity Areas.
- A SANBI led team assessed the threat status of 403 reptile species as well as their Protection Level. An estimated 5% of South Africa's reptiles are threatened with extinction, while two reptile species are considered Extinct. Most reptiles are well protected within South Africa's current Protected Areas network, but the majority of Critically Endangered and Endangered species are not suitably protected. The most significant driver of threat has been habitat loss, primarily prior to 1990.
- The Deep Secrets research project funded nine post graduate students (2xhonours, 4xMSc, 2xPhD and 1xPost Doc) and combined with the Women in M-Ocean capacity building initiative to train 5 young South African female scientists. MSc Student Kreesan Palan obtained a distinction for excellent work on canyon mapping.

A stakeholder workshop was held at SANBI to discuss establishing a National Database for information on genetically modified organisms (GMOs) released into the environment. Participants from agriculture, academia, biotech research and development, Government Departments and civil society provided inputs.



PROGRAMME PERFORMANCE

SCIENCE PUBLICATIONS

Under Objective 4.1, the target of 85 papers in journals accredited by the Department of Higher Education was increased from previous years to reflect an improvement in research management of the science portfolio allowed us to maintain this level of output and this was largely made possible by the continued involvement of postdoctoral fellows and students who contributed to a sustained output of high quality publications.

Among the highlights for publications were seven papers contributed by SANBI staff, students and postdoctoral fellows to a special issue focusing on biological invasions in urban environments ("Non-native species in urban environments: patterns, processes, impacts and challenges"). SANBI also participated again in the global horizon scan led by the Cambridge Conservation Initiative and which was published as "A 2018 Horizon Scan of Emerging Issues for Global Conservation and Biological diversity".

THE STATUS OF BIODIVERSITY

Under Objective 4.2. SANBI has undertaken to complete a series of assessments of the status of biodiversity leading up to 2020. The completion of the National Status Report on Biological Invasions and their Management in South Africa, was the result of a collaboration with the DST/NRF Centre of Excellence on Invasion Biology and provides a comprehensive assessment of biological invasions and highlights how such Centres of Excellence can contribute to SANBI's work. The report provides a comprehensive assessment of biological invasions, with information on pathways of introduction, the status of alien species introduced into the country, the status of invaded areas and the effectiveness of interventions.

The assessment shows that most alien species found in South Africa were intentionally introduced many years ago but further intentional introduction of high-risk species is expected to decline due to improved regulation. However, the rate of unintentional introductions appears to be increasing. Although many alien species are beneficial and contribute to our economy and job creation in key sectors, such as agriculture and forestry, at least 775 invasive species have been identified in South Africa, mostly plants or terrestrial invertebrates. A small subset of about 107 species has profound negative impacts on biodiversity and the ability of ecosystems to deliver

RANDALL JOSEPHS (NSF-WWF INTERNSHIP)



I have always had a passion for the natural environment which later blossomed into an interest into conservation. This led me to study Biodiversity and Conservation Biology. Throughout my undergraduate degree I volunteered at the Kirstenbosch Research Centre where I first heard about the Custodians of Rare and Endangered Wildflowers (CREW) and the exciting work they were doing. Therefore, when an opportunity arose to apply for an internship with CREW I jumped at the chance.

One of the reasons I wanted to be an intern with CREW was to use all the theoretical knowledge gained at university and to use it in a practical setting within the different aspects of the conservation sector. Through this I have seen the great array of avenues that is encompassed with the conservation umbrella and with that the different career paths.

One of the many performance areas of my internship has been active learning on field trips, which there has been many of. There has been many wonderful fieldtrips such as the Karoo Biogaps trip. Whilst in the Karoo I saw how diverse and beautiful the region was. Before leaving for the trip, I was warned about the unforgiving temperatures during the day, but fortunately we experienced cool overcast days and on a few nights the most dramatic thunderstorms.

Another fieldtrip highlight was the plant monitoring trip to Jonkershoek. On our arrival at the base of the mountain, we saw what seemed to be snow, and to my amazement it was! This was particularly exciting for me as I had never seen snow before.

My time spent as a CREW intern has been one of the most rewarding experiences. From learning and developing different skills at the training workshops, to building great relationships with amazing people. I feel blessed to have been given this special opportunity that not many have had. A special mention has to be given to my mentor Ismail Ebrahim who has been everything you would want a mentor to be. Not forgetting the rest of the CREW team (Gigi Laider, Anri Marais and Dewedine Van Der Colff) who have been supported and always willing to provide a helping hand.

services needed to maintain and improve the livelihoods of many South Africans. The report provides a set of indicators for tracking trends and provides a framework for reporting that will assist decision making for the management of biological invasions.

The full report was submitted to the Minister of Environmental Affairs as required by NEMBA in early 2018.

Another achievement was the Red List Assessment of South Africa's freshwater fish, done in collaboration with the South African Institute for Aquatic Biodiversity (SAIAB) and scientists from provincial conservation agencies. In total, 122 fish taxa were assessed – data for all the species is available at <http://speciesstatus.sanbi.org/> and data on endemic and near endemic taxa have been submitted to the IUCN Red List. The assessment shows that ongoing degradation in water quality and the spread of invasive fish species are the main pressures impacting on South Africa's very rich freshwater fish biota.

Although the National Biodiversity Assessment will only be completed in 2018/2019, a significant milestone was the completion of the Habitat Modification Layer which provides critical information on ecosystem condition. A habitat modification dataset was compiled to show changes between 1990 and 2013/4, using land cover products provided by the Department of Environmental Affairs, GeoTerraImage and the European Space Agency. The resulting habitat modification layer will be used to calculate Ecosystem Threat Status for the National Biodiversity Assessment 2018.

NON DETRIMENT FINDINGS FOR SPECIES IN TRADE

Trade in CITES listed species requires a non-detriment findings (NDF) to determine whether international trade poses a risk to the survival of the species in South Africa and to make recommendations for ensuring sustainable use. SANBI leads development of NDFs for the Scientific Authority and draft NDFs were completed for *Aloe ferox*, black rhinoceros and white rhinoceros and subsequently approved by the Scientific Authority. An NDF for African lion was also published by the Minister of Environmental Affairs for implementation.

LARGE COOPERATIVE PROJECTS

The Deep Secrets Project has been one of SANBI's main cooperative projects focusing on marine diversity. A key aim has been to develop multi-disciplinary offshore research capacity and build the knowledge base to support improved understanding and management of outer shelf, shelf edge and slope ecosystems. Participant from 7 organizations collaborated in a cruise that examined a total of 15 habitat types in South Africa's existing National Marine Ecosystem Classification and Map including the first surveys of many deep-sea habitats. Research was conducted at 61 offshore stations from Robben Island on the west coast to Kei mouth on the east coast and extending to the very tip of the Agulhas Bank, the southernmost point of the African continental shelf. The stations ranged from a depth of 77 m to 1035m. The cruise also collected new data at 7 of the 21 new proposed Phakisa Marine Protected Areas, collecting the first in-situ images at five of these MPAs. The data collected is being used to refine and improve marine maps to feed into South Africa's 2018 National Biodiversity Assessment.

The Deep Secrets Project yielded the first photographs of deep cold water coral ecosystems in South Africa as well as live coral specimens for new taxonomic research. One of the highlights was the discovery of a 40 km long rocky ridge with 100m high cliffs off Port Elizabeth.

The Karoo BioGaps project is a second large cooperative project which involves many partner organisations. The aim this year was to obtain data from undercollected areas and to analyse data from previous surveys. Several surveys of reptiles and amphibians were completed, which showed that species richness in some areas of the Karoo has been underestimated. Key species were barcoded and included in genetic studies, showing several important taxonomic changes are needed. Mammal data from 25 sites has also been analysed with particularly good information on small mammals. The studies undertaken through the BioGaps project have greatly increased knowledge of the local biodiversity, helped resolve taxonomic issues and provided valuable training and experience for students, interns and other young scientists.

The Deep Secrets and BioGaps projects are coming to an end. During this year, two new proposals for large coordinated projects were submitted to the Global Environmental Facility (GEF) with components that will be managed by SANBI. The projects focus on illegal wildlife trade and bioprospecting and, if successful, will be implemented from 2018-2022.





PROGRAMME 5: PROVIDE BIODIVERSITY POLICY ADVICE AND ACCESS TO BIODIVERSITY INFORMATION; AND, SUPPORT FOR CLIMATE CHANGE ADAPTATION

PURPOSE

The primary focus of this Programme is to facilitate the translation of South Africa's biodiversity science into policy and decision-making. We do this in the context of South Africa's urgent development imperatives, using biodiversity science to understand how the management and sustainable use of healthy intact ecosystems can maintain, enhance and deliver services to society. The Programme provides free access to biodiversity information and scientific knowledge to a wide audience through the Biodiversity Advisor online platform.

OBJECTIVE STATEMENTS

- Tools to support management and conservation of biodiversity developed and applied
- Access to biodiversity data, information and knowledge provided
- Scientific advice to support national and international policy processes provided
- Policy support on climate change adaptation provided to inform national and international decision making

KEY PERFORMANCE AREAS

- Tools to support management and conservation of biodiversity developed and applied
- Access to biodiversity data, information and knowledge provided
- Scientific advice to support national and international policy processes provided
- Policy support on climate change adaptation provided to inform national and international decision-making

PROGRAMME HIGHLIGHTS

- SANBI, together with Statistics South Africa (Stats SA), is leading South Africa's participation in a global project on Natural Capital Accounting, funded by the European Union and led by the United Nations Statistics Division and United Nations Environment.
- SANBI initiated the GEF-funded Ecological Infrastructure for Water Security project in collaboration with the Development Bank of South Africa and the Department of Environmental Affairs.
- The GEF-funded Biodiversity and Land Use project received a very favourable rating in an independent midterm review that assessed progress towards the five-year project targets.
- SANBI initiated the development of a NBIS to provide enhanced access to integrated South African biodiversity information.
- The African Biodiversity Challenge project, funded by the JRS Biodiversity Foundation, which aims to build capacity and provide incentives for countries to mobilise biodiversity data and establish biodiversity informatics networks was launched.
- SANBI and DEA hosted the first National Biodiversity Stewardship Conference where a suite of resolutions for taking biodiversity stewardship forward in South Africa was developed.
- The SANBI Board Chair signed the Accreditation Master Agreement with the Green Climate Fund (GCF) and the first call for Expressions of Interest was issued for organisations wishing to make use of SANBI's services as an accredited entity of the GCF.

PROGRAMME PERFORMANCE

Programme 5 has demonstrated the value of biodiversity assets and ecological infrastructure for unlocking development opportunities and delivering social-economic benefits. It has provided science-based tools and policy advice to promote the integration of biodiversity into other sectors, especially those that impact on biodiversity. The programme has continued to provide support to the Department of Environmental Affairs (DEA) and provincial conservation authorities in their development and implementation of biodiversity-related policy and legislation, based on the best available science. The programme continues to support municipalities in integrating biodiversity assets and ecological infrastructure into their planning and decision-making. SANBI has influenced international agendas for policy, research and monitoring, for example by participating in CITES, the CBD, the UNFCCC and through its accreditation as a Direct Access Entity of the Adaptation Fund and the Green Climate Fund (GCF).

TOOLS TO SUPPORT MANAGEMENT AND CONSERVATION OF BIODIVERSITY

There are various mechanisms by which science is translated into relevant information and practical advice that can be used to influence policy and development. Tools are usually developed through collaboration with partners and stakeholders (including the intended users) and their uptake is supported through training, communities of practice and mainstreaming.

NATURAL CAPITAL ACCOUNTING

Together with Statistics South Africa (Stats SA), SANBI is leading South Africa's participation in a global project on Natural Capital Accounting, funded by the European Union and led by the United Nations Statistics Division and United Nations Environment. South Africa is one of five countries selected to participate, along with Brazil, China, India and Mexico. The current project builds on work in 2014-15 that developed pilot ecosystem accounts for South Africa as part of a prior global project funded by the Government of Norway.

OLONA BUSWANA (DST-NRF INTERNSHIP)



Joining the SANBI Marine Programme family has been a once in a life time opportunity for me, which I will forever be grateful for. Being part of the marine programme made me realize that the sea indeed has deep secrets that still need to be discovered. Getting an opportunity to zoom in to marine alien and invasive species research (which is part of the National Biodiversity Assessment 2018 in the Marine component) and seeing the tremendous impacts they have on our ocean space has elevated my passion on the conservation of ocean ecosystems. This internship has broadened my knowledge in various research fields at SANBI by granting me an opportunity to attend skills and development workshops every Thursday each week, and the most outstanding has been the introduction to ArcGIS, BGIS and R which are vital statistical tools nowadays in every research field. I also got a chance to attend a Biodiversity Planning Forum at Kruger National Park which was amazing and made me realize our biodiversity is really under threat. Furthermore, I was given an opportunity to go and present my honours project (poster) at the South African Marine Science Symposium (SAMSS) in Port Elizabeth where I got to network with experts in this field, which was awesome. Lastly, I was very fortunate to attend and present at an IOI – Regional Ocean Governance Course here at SANBI for the whole month of September where policy makers and fisheries experts around the African continent shared their knowledge and possible solutions on how our oceans can be managed for the benefit of all stakeholders involved including local communities. The few months I've spent here are a treasure and this has indeed been a fruitful journey for me and my future as a growing marine scientist.



INSHAAF LAYLOO (DST-NRF INTERNSHIP)



In 2016 when I applied for an internship, I needed direction. I just knew that I wanted to be an ecologist. Pass forward to 2017 I am now more clear on what I need to do to make that happen.

The entomology module that was taught at university was very basic and bland, so I must admit the thought of working with insects wasn't met with much excitement. Actually that was my worst module at university but I remember during the second week of my internship we had field work and that's when I discovered how exciting the field of entomology is.

I always tell people that often I don't feel like this is a job. It doesn't feel tiring and I could do this all day and every day. Yes maybe the early mornings can be a bit of an unpleasant thing especially if you not a morning person like me. Despite that I look forward to coming to work and either being in the field or learning new skills. The most exciting activity by far is being in the field with Dr Ruan Veldtman and removing invasive wasp nest. Recently we discovered a huge aerial *Vespula germanica* (German wasp) which was over a metre in length. This was Dr Ruan's second time seeing such a huge aerial nest and my first, so you can imagine how rare this occurrence is. Although it being rare is a good thing it was still an amazing thing to see.

It's just nice being in an environment where you meet lots of like-minded people, people that are as passionate as you about the environment. Where your opinions are valued and you are not seen as "just an intern". Where you are exposed to so many things and get to learn daily.

Natural Capital Accounting provides a framework for measuring and tracking over time the contribution of healthy ecosystems to social and economic goals such as water security, food security and job creation, and provides a wealth of information that can improve land-use planning and management of natural resources. It also provides a tool for national reporting on the global Sustainable Development Goals.

A national stakeholder workshop with over 70 representatives from 30 organisations, was held in March 2018 at the Pretoria National Botanical Garden. Participants provided clear direction on priorities for South Africa's Natural Capital Accounting work over the next two years. SANBI, together with Stats SA, represented South Africa at the second forum on Natural Capital Accounting for Better Policy, held in November 2017 in The Hague.

BIODIVERSITY AND LAND-USE PROJECT

The US\$8.2 million Global Environmental Facility (GEF)-funded Biodiversity and Land Use (BLU) project, led by SANBI, concluded an independent midterm review in November 2017 that assessed progress towards the five-year project targets. The project received a very favourable rating overall and five of the project's eight outcomes received a 'highly satisfactory' rating.

The BLU project works in partnership with four district municipalities, the Ehlanzeni District Municipality, uMgungundlovu District Municipality, Cape Winelands District Municipality and the Amathole District Municipality. The project has two components through which it enhances streamlined environmental decision-making. The first component aims to improve biodiversity management by strengthening cooperation, coordination and capacity of municipal and other regulatory authorities that regulate land-use decisions. Key government partners include the Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs; Mpumalanga Tourism and Parks Agency (MTPA); Eastern Cape Parks and Tourism Agency (ECPTA); CapeNature and Western Cape Department of Environmental Affairs and Development Planning. In relation to this component, the project has:

- Partnered with DEA to support the development of a national on-line screening tool for environmental management authorisation.
- Supported MPTA to negotiate biodiversity offsets with Northam Mine to offset the impacts of mining on biodiversity.
- Concluded a review of municipal Spatial Development Frameworks (SDFs) which will contribute to the development of national protocols for ensuring that biodiversity priorities are included in SDFs. The outcome of the review for the uMgungundlovu District Municipality was taken up into the KwaZulu-Natal Department of Co-operative Government and Traditional Affairs' SDF review process and will be rolled out in all SDFs in the province.
- Concluded the review of Disaster Management Plans for two municipalities, to ensure that links are made between effectively incorporating biodiversity priorities into land-use planning and reducing disaster risks.
- Partnered with the South African Local Government Association (SALGA) and DEA on SALGA's Councillor Induction Programme to provide information on relevant environmental legislation and the benefits of biodiversity conservation.
- Developed the Ecological Infrastructure Challenge Fund aimed at increasing resources allocated to biodiversity management and job creation through ecosystem restoration and maintenance. The aim is to reach a target of 600 jobs.
- Continued to support partners and stakeholders by coordinating various workshops that provide municipal government with information about biodiversity, ecological infrastructure and climate change.

The second component of the BLU project aims to introduce mechanisms, in collaboration with private and communal land owners, to better protect critical biodiversity areas and manage land through biodiversity stewardship. Key partners include ECPTA; MPTA; World Wide Fund for Nature-South Africa (WWF-SA); NCT Forestry Co-operative Limited; BirdLife South Africa and Kruger to Canyons Biosphere.

As part of this component the project has:

- Supported, in partnership with Birdlife South Africa's Fiscal Benefits project, the successful inclusion of the first two biodiversity tax incentives for protected areas. The partnership has also supported the process initiated by National Treasury to amend further tax incentives for biodiversity stewardship.
- Hosted tax training workshops across six provinces, aimed at building landowners' understanding of the potential tax benefits of land that is under biodiversity stewardship.
- Secured a total of 34,595 ha of production landscape under biodiversity compatible management in Cape Winelands and uMgungundlovu Districts in the fruit, forestry and sugar sectors, in partnership with WWF-SA and NCT Forestry Co-operative Limited.
- Supported the development of a risk-based approach to forestry certification to make certification accessible to small-scale plantation owners. A case study was presented at the Forestry Stewardship Council (FSC) general assembly in Vancouver to guide their policy direction towards making certification accessible to all scales of forestry.
- Supported, in partnership with WWF-SA, the SUSFARMS collaboration which received second place in the international Bonsucro Inspire Award in recognition of their contribution towards a sustainable sugarcane sector.

BIODIVERSITY PLANNING

SANBI coordinates the South African community of practice for biodiversity planning. Biodiversity planning identifies geographic areas of importance for biodiversity, which helps to ensure effective and streamlined





environmental decision-making. SANBI hosted the 14th National Biodiversity Planning Forum at Skukuza in June 2017. Over 180 participants, representing government departments, conservation agencies, research institutions, and consultants, met to share lessons from systematic biodiversity planning projects across South Africa. The theme focused on biodiversity prioritisation to support spatial planning in other sectors for example agriculture and the wildlife economy.

SANBI launched the Technical Guidelines for CBA Maps: Guidelines for developing a map of Critical Biodiversity Areas & Ecological Support Areas using systematic biodiversity planning. This guideline sets out the minimum technical requirements and recommended good practice for developing maps of Critical Biodiversity Areas (CBAs). CBA Maps provide a set of geographic priorities to inform planning and decision-making in support of sustainable development.

SANBI hosted the Provincial and Metro Biodiversity Planning Working Group in October 2017 in Pretoria. This working group provides an opportunity for provincial and metro biodiversity planners to discuss the technical issues involved in systematic biodiversity planning. It helps to ensure a level of consistency in spatial biodiversity plans across the country.

ECOLOGICAL INFRASTRUCTURE

SANBI facilitated discussions and shared lessons on investing in ecological infrastructure at the following learning platforms:

- The 3rd WRC Symposium held in Gauteng in September 2017 where the theme “Adaptation to the new normal” focussed on extreme weather events that impact South Africa’s already limited water resources. SANBI chaired a session on investment in ecological health for socio-economic benefit and resilience.
- The National Wetland Indaba held in KwaZulu-Natal in October 2017 where SANBI co-facilitated, with the WRC, a session on ecological infrastructure and water security.
- The Symposium of Contemporary Conservation Practice in KwaZulu-Natal in November 2017 where SANBI facilitated a special session on “Advancing ecological infrastructure thinking in the context of integrated catchment management”.

SANBI, through a Department of Science and Technology-funded project, has established catchment-based ecological infrastructure research, development and innovation platforms in two catchments, the Berg/Breede in the Western Cape and the Umzimvubu catchment in the Eastern Cape. The aim of these platforms is to improve uptake of research and build the community of practice around ecological infrastructure. Several learning exchanges were co-hosted with the uMzimvubu Catchment Partnership Programme to share experiences about how sound rangeland management can contribute to improved ecological infrastructure.

SANBI and the Department of Agriculture, Forestry and Fisheries facilitated a series of training workshops on the practical application of the Grazing and Burning Guidelines across four provinces, including Gauteng, KwaZulu-Natal, Eastern Cape and Mpumalanga.

SANBI hosted the Freshwater Ecosystem Network (FEN) in June 2017, bringing together 57 participants from a range of government departments, research institutions, civil society organisations and the private sector to address issues of practice in caring for South Africa’s freshwater ecosystems.

ECOLOGICAL INFRASTRUCTURE FOR WATER SECURITY PROJECT

SANBI initiated the Ecological Infrastructure for Water Security project in collaboration with the Development Bank of South Africa and DEA. This is a five-year, \$7.2 million project funded by GEF which aims to develop policy and capacity incentives for integrating biodiversity and ecosystem services into planning, finance and development processes in the water sector to improve water security. The project will work in two demonstration catchments, the Berg-Breede and the Greater uMngeni catchments. Key partners include the Department of Water

and Sanitation; Stats SA; WRC; Pongola-uMzimkulu, Breede Gouritz, and Berg Proto Catchment Management Agencies; Berg Irrigation Board; Sonderend Water User Association; Centre for Municipal Research and Advice; National Business Initiative; University of KwaZulu-Natal Centre for Water Resources Research, and WWF-SA.

NATURAL RESOURCE MANAGEMENT

SANBI, in partnership with DEA Natural Resource Management (NRM) convenes Management, Research and Planning Forums (MAREPs), which are learning platforms to share information, enable learning, and eliminate silos between natural resource managers, practitioners, researchers and planners. Over the past year, the following was achieved:

- A pilot Social-Ecological Systems MAREP adopting a social learning orientated approach to better engage, learn and communicate with various NRM stakeholders. Based on the success of this pilot, a nation-wide rollout of these workshops will be initiated.
- An Executive MAREP focused on 'Unlocking and securing ecological infrastructure investments in the NRM sector'. This MAREP has created a platform for high-level policy discussions around biodiversity offsets, the water value chain, biodiversity stewardship and the role of the private and corporate sector in natural resources management.
- The development of a NRM Learning Network Strategy for DEA NRM to build capacity for organisational learning and social ecological systems thinking amongst DEA NRM and project coordinators within regional teams.

SANBI, in collaboration with DEA NRM, the Institute of Natural Resources (INR) and the Council for Scientific and Industrial Research (CSIR), refined decision-support tools to guide DEA NRM prioritisation processes. A framework for a prioritisation model was established to guide activities and resource allocation for natural resource management, based on updated data.

CAPE FLATS NATURE'S PARTNERS' FUND

SANBI supported the implementation of the Table Mountain Fund's Cape Flats Nature's Partners' Fund small grant facility, intended to bring new entrants into conservation in biodiversity priority areas within low income communities. This project is a legacy of the Cape Flats Nature partnership project, implemented by SANBI between 2002-2010, which pioneered the building of citizenship and socio-economic development through nature conservation in the Cape Flats communities. Nineteen small grants were successfully implemented.

ACCESS TO BIODIVERSITY DATA, INFORMATION AND KNOWLEDGE

The Biodiversity Act requires SANBI to collect, generate, process, co-ordinate and disseminate information about biodiversity and sustainable use of indigenous biological resources, and establish and maintain databases.

BIODIVERSITY INFORMATION MANAGEMENT

SANBI initiated the development of a National Biodiversity Information System (NBIS) to provide enhanced access to integrated South African biodiversity information. The project will deliver a centralised web-based infrastructure to capture, aggregate, manage, discover, analyse and visualise biodiversity data. The aim of the project is to holistically manage all biodiversity information to support researchers, managers, policy and decision-makers in achieving their goals, support planners in making sensible decisions, and help SANBI understand impacts on biodiversity. SANBI finalised the NBIS design protocol in February 2018 after an intensive 12 month scoping and consultation process.

SANBI launched an online institutional knowledge repository to retain and share institutional knowledge. This will improve access to information and research outputs, so that the existing knowledge effort within the organisation can be built upon.





LEE-ANNE BOTHA (DST-NRF INTERNSHIP)



My internship with SANBI thus far has been a very exciting and a good learning experience. I was exposed to a variety of work and being a Biological Invasions intern, I was very fortunate to be part of the draft team, which compiled the first National Status Report on Biological Invasions in South Africa. The majority of my work comprised of analysing data, working with the alien and invasive species database, engaging with stakeholders and providing overall logistical support to the team. I had the opportunity to be a part of several invasive species projects from which I assisted my mentor, Dr Tsungai Zengeya on multiple field trips. One of the most memorable field trip experiences was learning to identify the different freshwater fish species, which was exciting and at the same time daunting, especially for someone with a background of plants. Not forgetting my love for plants I got the opportunity to assist CREW on field trips to look for endangered and rare plants, ranging from beautiful Proteas to the smaller Iris. This type of 'assistance' required you to get down on your knees, which is the norm out in the field, because whenever you saw people on their knees it's a given that there is something special. SANBI also had a skill and activity programme for students/ intern every week which provided me with the opportunity to expand my current skill set. I can truly say that the knowledge and skills obtained during this year was invaluable. The experience gained from this internship will definitely be useful in my future career in conservation.

SANBI hosted the annual joint Biodiversity Information Management-Foundational Biodiversity Information Programme Forum in KwaZulu-Natal in August 2017. The aim of this annual forum is to promote and enhance collaboration, establish networks and develop information management practice in the biodiversity science community. The forum attracted over 100 participants from a range of sectors including government departments, research institutions and conservation agencies.

SANBI hosted a feasibility workshop with 15 herbaria in June 2017 to initiate the establishment of a national botanical collection data management service to better align and share data between herbaria in the country, as well as build a community of practice for collection facilities around the sharing of data.

SANBI has played a role in developing biodiversity information management skills in the sector as well as internally through various training opportunities. SANBI participated in the following conferences:

- The Taxonomic Databases Working Group annual conference held in Canada in September 2017. The conference focused on taxonomic databases, data standards, data quality, as well as biodiversity informatics tools currently being developed.
- The Southern Africa ESRI User conference held in Kwazulu-Natal in October 2017 which covered themes relating to spatial information, including services, education and governance.
- SANBI provided georeferencing and GIS training during the year to grow basic GIS and ArcGIS skills and assist participants in understanding the importance of georeferencing and geocoding.

In February 2018 SANBI participated in an international workshop in Italy to grow global cooperation of biodiversity research infrastructures and biodiversity scientists. The workshop, organised by GLOBal Infrastructures for Supporting Biodiversity Research (GLOBIS-B), focused on how to mobilise and standardise observations on species interactions to make them openly accessible to users.

GLOBAL BIODIVERSITY INFORMATION FACILITY (GBIF)

In 2016 SANBI was requested to coordinate the GBIF-Africa network and establish the African Coordinating Mechanism for biodiversity informatics efforts in

the Africa region. SANBI formed part of the delegation from South Africa who attended the GBIF Governing Board meeting, held in Finland in September 2017. SANBI also participated in the Global Nodes meeting and facilitated a side meeting with the GBIF-Africa community where the draft GBIF-Africa Business Case Strategy was presented. SANBI hosted a GBIF-Africa Business Case Task Team meeting in December 2017 to finalise the Business Case which is aligned to SANBI's regional engagement strategy.

AFRICAN BIODIVERSITY CHALLENGE

SANBI coordinates the African Biodiversity Challenge project, funded by the JRS Biodiversity Foundation. The project aims to build capacity and provide incentives for countries to mobilise biodiversity data and establish biodiversity informatics networks. SANBI identified four African countries, including Rwanda, Ghana, Malawi and Namibia, to partner with on the project. The African Biodiversity Challenge was officially launched in Rwanda at the end of August 2017 at an event co-hosted by SANBI and the University of Rwanda.

In December 2017 the project collaborated with the GBIF, through its Biodiversity Information for Development (BID) programme, to host and facilitate a combined Data Management Training Course at Kirstenbosch. Thirty-seven participants from museums, governmental agencies and non-governmental organisations, representing 19 African countries, were trained on the technical aspects of data mobilisation including digitisation, management and online publishing.

The project supported the first national Biodiversity Information Management Forum in Ghana in March 2018 with 33 delegates participating, with representation from data holders through to end users. The forum was hosted by the Ghana ABC team consisting of Conservation Alliance, A Rocha Ghana and the Council for Scientific and Industrial Research in collaboration with the Connect project which seeks to mainstream biodiversity into decision-making and is coordinated by United Nations Environment Programme, World Conservation Monitoring Centre (UNEP-WCMC). Participants completed a data audit of information available and brainstormed ideas on how to mobilise and mainstream the priority datasets.

LIBRARIES AND PUBLICATIONS

SANBI hosts the Chair for the Biodiversity Heritage Library (BHL)-Africa which aims to provide open access to valuable information held in Africa's biodiversity institutions. SANBI hosted 21 members of BHL-Africa in February 2018 to develop a strategic plan for the next five years.

SANBI published the following books in the 2017/18 financial year:

- Thembi and Themba visit Kirstenbosch has been published in 11 languages and is the second book published in collaboration with MBLS Publishing.
- Suricata 3: A Bilingual Field Guide to the Frogs of Zululand by Fortunate M. Phaka, Edward C. Netherlands, Donnavan J.D. Kruger, & Louis H. du Preez. This book has been published in English and isiZulu and was launched in November 2017.
- Strelitzia 38: Plants of the Free State inventory and identification guide by E. Retief & N.L. Meyer.
- SANBI Biodiversity Series 28: Guidelines for mapping wetlands in South Africa by Nancy Job, Namhla Mbona, Anisha Dayaram & Donovan Kotze
- Suricata No. 4: Manual of Afrotropical Diptera. Volume 1. Introductory chapters and keys to Diptera families, Ashley H. Kirk-Spriggs & Bradley J. Sinclair (Eds)
- Suricata No. 5: Manual of Afrotropical Diptera. Volume 2. Nematoceros Diptera and lower Brachycera, Ashley H. Kirk-Spriggs & Bradley J. Sinclair (Eds).

SCIENTIFIC ADVICE TO SUPPORT NATIONAL AND INTERNATIONAL POLICY PROCESSES

It is increasingly recognised that so-called "boundary organisations" have a key role to play in bridging the frequent divide between science and society. This work at the interface between science and policy is a central part of SANBI's mandate.





BIODIVERSITY STEWARDSHIP

SANBI and DEA hosted the first National Biodiversity Stewardship Conference in September 2017 in KwaZulu-Natal. It was attended by more than 90 participants from across the country. A key outcome was a suite of resolutions for taking biodiversity stewardship forward in South Africa. SANBI supported DEA to table these resolutions at the intergovernmental committees including Working Group 1, the Protected Areas CEOs Forum and MINTECH. The recommendation that the resolutions be adopted by MINMEC for implementation was supported by MINTECH. This support lays the foundation for taking biodiversity stewardship policy engagement and financing forward.

STRATEGIC ENVIRONMENTAL ASSESSMENTS (SEAS)

SANBI has been responsible for contributing to several SEAs, including the Renewable Energy Strategic Environmental Assessment (SEA), the Shale Gas SEA and the Electricity Grid Infrastructure SEA. Together with DEA and the Council for Scientific and Industrial Research (CSIR), SANBI was awarded the International Association for Impact Assessment (IAIA) 2018 Regional Award for their work in advancing and innovating national-scale SEAs in South Africa over the past five years. The IAIA Regional Award is awarded to an individual or organisation that has made a substantial contribution to the field of impact assessment and has taken a leadership role in promoting best practice in impact assessment.

SANBI is, at DEA's request, leading on the spatial analysis for the Gas Pipeline SEA to support the national government's Strategic Integrated Projects. This will identify route corridors for the efficient construction of a phased gas pipeline network in South Africa and extend the electricity grid infrastructure network where necessary. The preliminary gas pipeline network was identified as part of Operation Phakisa and needs to be refined as part of the SEA process.

BIOREGIONAL PLANS

SANBI coordinates and chairs the Review Panel for Bioregional Plans. The Review Panel signed off on the Vhembe District Bioregional Plan and supported its publication by the MEC for public comment.

BIODIVERSITY OFFSETS

SANBI developed a series of guidance notes on biodiversity offsets in South Africa which provide guidance towards robust, transparent and effective biodiversity offset implementation in South Africa. The series provide a comprehensive spread of guidance related to ensuring that biodiversity offsets:

- are considered as an environmental management tool and form part of the impact assessment and remedy process;
- have the overarching objective to secure ecologically sustainable development by, amongst other things, locating offsets in biodiversity priority areas;
- are the responsibility of the impactor, with appropriate mechanisms and provision put in place to ensure their effective implementation.

SANBI, in collaboration with INR, conducted a three day biodiversity offsets training session in February 2018. The training, attended by 38 participants including local, provincial and national government officials, environmental lawyers, environmental assessment practitioners, biodiversity specialists and non-government organisation, introduced biodiversity offsets, provided a context for their use and gave guidance on their design and implementation.

SUSTAINABLE DEVELOPMENT GOALS

SANBI contributed to South Africa's Indicator Baseline Report for the Sustainable Development Goals, published by StatsSA. The report provides national baseline values for the indicators that have been set for the global

Sustainable Development Goals. SANBI provided information to populate several indicators for Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

UNITED NATIONS CONVENTION TO COMBAT DESERTIFICATION

SANBI is supporting DEA in the global Land Degradation Neutrality (LDN) target setting programme. This is a United Nations Convention to Combat Desertification (UNCCD) process to combat desertification, restore degraded land and achieve land degradation neutrality by 2030. SANBI has participated in workshops and stakeholder consultation meetings, as well as the Southern Africa Development Community UNCCD Regional Forum in preparation for the UNCCD COP 13. SANBI will continue to provide guidance for formulating national LDN targets and facilitate the use of UNCCD indicator frameworks to monitor LDN targets.

POLICY SUPPORT ON CLIMATE CHANGE ADAPTATION TO INFORM NATIONAL AND INTERNATIONAL DECISION MAKING

South Africa is facing increasing socio-economic pressures as a result of the impacts of climate change. The Division of Climate Change Adaptation in SANBI aims to support tools for Ecosystem-based Adaptation and is an accredited entity of the Adaptation Fund and the Green Climate Fund (GCF).

ACCREDITED ENTITY FOR THE ADAPTATION FUND AND THE GREEN CLIMATE FUND

SANBI is accredited as South Africa's National Implementing Entity (NIE) to the Global Adaptation Fund and a Direct Access Entity of the GCF.

In its capacity as National Implementing Entity of the Adaptation Fund, SANBI is implementing two projects that have a total value of USD 10 million. To date, a total of eleven small grants projects have been approved by for implementation in the USD 2 million Adaptation Fund Small Grants Facility Project. Five of these are in the Mopani District Municipality (Limpopo), and six are in the Namakwa District Municipality (Northern Cape). Collectively, these nine small grant projects will build the resilience of an estimated 2,823 community members who are

LUKE GALLANT (NSF-WWF INTERNSHIP)



My internship experience at the South African National Biodiversity Institute (SANBI): Kirstenbosch has been a very eventful one thus far. One of my biggest learning curves was on one of my first fieldtrips, with my mentor Dr Anthony Rebelo and Gigi Laider, where we conducted a BioBlitz in 1km x 1km plots within six different pentads across the Karoo for the Karoo BioGaps Project. The purpose of the BioBlitz was to record as much biodiversity data (faunal, floral and fungal) as we could to assist with filling in the gaps in the missing ecological data of the Karoo, so that informed decision making processes can be made in the area. All of the collected data was then managed georeferenced and uploaded onto iSpot under the project called the Karoo BioGaps, where I assisted with the identifications of the species that were recorded. I obtained an immense amount of knowledge about the Karoo system within such a rapid time from this fieldtrip. Another experience that stood out for me was all the new areas that I have visited during my field trips with the Custodians of Rare and Endangered Wildflowers (CREW), especially during this spring season. One of the trips that I favoured the most was the post-fire monitoring trip in Knysna, where we aimed to record the orchid species that would be popping after the inferno that took place earlier this year. One of the 'specials' that we came across was the redlisted *Satyrium princeps*, reminding us just how important fire actually is to the diversity to these ecosystems. Another highlight was the independent CREW fieldtrip that Fezile Mathenjwa, Randall Josephs and I had organised to the Platteklief Natural Heritage Site. On the site there is an intact patch of the critically endangered Cape Flats Sand Fynbos, where we recorded healthy populations of *Protea scolymocephala*, *Leucadendron levisanus*, *Leucospermum hypophyllocarpodendron* and *Diastella proteoides* all of which are redlist species in the Proteaceae family. Through all of these collective experiences I have obtained a plethora of skills and knowledge for which I am grateful and positive it will assist me in my career path as an ecologist.





vulnerable to the impacts of climate change, 60% of whom are women.

In the USD 8 million uMngeni Resilience Project, which is being executed by the uMgungundlovu District Municipality (KwaZulu-Natal), 380 vulnerable farmers (75% of whom are women) have already been supported to introduce climate smart agriculture techniques into the way they farm, thereby building their resilience to the frequent droughts and storms the area experiences. In the Early Warning System component of the project, agreements between the project and the South African Weather Service have set a national precedent for data sharing and use, and the project will be used as a pilot site for the implementation of the National Framework for Climate Services.

The SANBI Board Chair signed the Accreditation Master Agreement with the GCF and SANBI secured US\$ 380 000 of readiness funding from the GCF to strengthen its systems for the receipt and disbursement of GCF funds. The first call for Expressions of Interest was issued for organisations wishing to make use of SANBI's services as an accredited entity of the GCF. SANBI presented on its progress as an accredited entity of the Adaptation Fund and Green Climate Fund at a Portfolio Committee Colloquium, held at Parliament in November 2017.

SANBI participated in a number of key events including:

- The UNFCCC climate conference in Bonn in May 2017 to represent the NIE to the Adaptation Fund and Accredited Entity to the GCF, as well as to support the South African Climate Change Adaptation team. SANBI presented at an Adaptation Fund side event and was a panellist for the Durban Platform for Capacity Building.
- The UNFCCC COP 23 meeting in Bonn in November 2017, in support of the South African delegation. This included presenting at a National Business Initiative event and attending the Adaptation Fund's 10-year anniversary celebration. South Africa's work as the NIE of the Adaptation Fund was showcased in a publication that was released by the Adaptation Fund.
- Adaptation Fund NIE meeting in Costa Rica in July 2017. The objective of the meeting was to allow National Implementing Entities, like SANBI, the opportunity to share information and experiences on project implementation.
- GCF technical expert workshop on climate adaptation finance in Songdo in March 2018.

ECOSYSTEM-BASED ADAPTATION

SANBI finalised the Ecosystem-Based Adaptation (EBA) guideline document in partnership with DEA, which sets out principles and criteria for EBA, as well as practical tools for EBA project development and research. SANBI participated in the following learning platforms to share its experiences and showcase its work in EBA including:

- An EBA Convention on Biological Diversity (CBD) meeting in Cambridge in July 2017 and the CBD meeting held in Durban in October 2017.
- The second International EBA Community of Practice Workshop in Thailand in August 2017 where experiences were shared from the development of South Africa's EBA Strategy and EBA guideline document.

PROGRAMME 6 - HUMAN CAPITAL DEVELOPMENT (HCD): DRIVE HCD, EDUCATION AND AWARENESS IN RESPONSE TO SANBI'S MANDATE



PURPOSE

The programme, human capital development, education and awareness is a cross cutting programme with the intention to ensure that the sector is transformed through identification, attraction and retention of priority and rare skills amongst South Africans especially the youth. It is also the programme's intention to up-skill those already within the biodiversity sector so as to address not only historical legacies of a bottom heavy sector but also chronic capacity shortages of leadership especially by black South Africans.

STRATEGIC OBJECTIVES

- A transformed and suitably skilled workforce for the biodiversity is developed.
- All national botanical gardens are promoted and used as platforms for biodiversity awareness, education and recreation
- Civil society is engaged to contribute to science, monitoring and biodiversity conservation

KEY PERFORMANCE AREAS

- Number of black biodiversity professionals developed through human capital development initiatives, including structured internships, post graduate studentships, and a fellowship programme for the achievement of a transformed and skilled workforce in the biodiversity sector.
- Number of beneficiaries participating in the Biodiversity Careers Programme aimed at attracting young people into the biodiversity sector.
- Number of users and beneficiaries of NBGs and school-based programmes for education, awareness, training and recreation.
- Number of platforms facilitated for civil society engagement, which contribute to biodiversity monitoring and biodiversity conservation.

PROGRAMME HIGHLIGHTS

- 44 856 beneficiaries reached through Kids in Gardens Programme
- Total of beneficiaries reached through all BEE intervention 64133
- 10 environmental theme days celebrated, Plant Conservation Day in particular was a highlight as it was celebrated for the first time following the National Plant Conservation Strategy
- 1338 beneficiaries reached through Biodiversity Careers Programme
- Partnerships with SANEDI, BOTSOC, Ms Earth, GDRAD, CBD GYBN, Johannesburg City Parks & Zoo and Australia-South Africa Alumni Association
- Conducted a biodiversity workshop for Legal Aid South Africa
- CREW is now in its 15th year of implementation. CREW continues to grow and were pleased to welcome this year two new groups that have started in the summer rainfall region the Umzimvubu group that will be working in the Eastern Cape portion of Pondoland, and the Newcastle group that will be surveying the Battlefields region of KwaZulu-Natal an area we have long wanted covered. In the Fynbos and Karoo region of the country CREW citizen scientists have been hard at work to survey previously unexplored areas and there has been an exciting new focus on supporting ex situ conservation and reintroduction work linked to SANBI's Botanical Gardens. With regards support to land-use decision making, SANBI's Threatened Species Unit has been hard at work feeding data on the locations of threatened plants collected by CREW volunteers into a new online EIA Screening Tool that is being developed by the Department of Environmental Affairs, this tool will soon become a mandatory part of the EIA process. 560 highly restricted plant species that have a global



ranges of less than 10 km² have been mapped in detail, the critical habitat where these species occurs is going into the EIA screening tool as the highly sensitive areas where no development should be permitted.

- Ispot Citizen Science Platform has been replaced by iNaturalist, and most of our volunteers have moved over to support this new platform. The SANBI CREW groups and the BioGaps groups are active users of this platform and we look forward to establishing the collaboration with iNaturalist in 2018-2019.



PROGRAMME PERFORMANCE

The Biodiversity Education Programme, or 'Kids in Gardens' as it is also known, reached a total of 44 856 beneficiaries, exceeding the set target by 2%. Many schools and other organisations have participated in this programme for many years, bringing new groups of learners annually to the gardens and centres for fun and facilitated interactive lessons. A deliberate plan to invite some of underprivileged schools to the gardens and centres for fully sponsored lessons was actioned. Very often, these sponsored lessons were linked to the celebrations of environmental calendar days and/or weeks such as Biodiversity Day, Arbor Week, etc. While most of the costs of the sponsorships were carried by the directorate, a portion of the funding was received from the South African National Energy Development Institute (SANEDI). The funding from SANEDI was used to sponsor lessons at KZNBNB and PNBG for Climate Change Weeks. It is very difficult to describe the reactions of these learners to their experience in the botanical gardens, but 'stunningly magnificent' would probably come quite close. Additional steps were once again taken by the Biodiversity Education and Empowerment (BEE) Centres to continue to diversify the beneficiaries to this programme and the following was achieved: 14 534 learners from 173 schools participated in the programme for the first time; 484 learners with a range of physical and mental challenges from 15 schools for special educational needs; 18 youth groups with 712 beneficiaries; and 11 adult groups with 423 beneficiaries.



The directorate currently has capacity shortages. Various innovative ways had to be introduced in order to achieve the set target: these included using the SANBI staff buses at different Gardens to transport smaller groups of learners for lessons, dividing bigger groups in two and teaching one group while the other had a walk or picnic and then teaching the other group, having groups both for morning and afternoon sessions and using Garden Division staff members as well as volunteers to teach (after being trained to do so). This is testimony to good collaboration in the Conservation Gardens Divisions and also an illustration that with the right capacity BEE directorate can reach more beneficiaries through Kids in Gardens Programme.

The BEE Directorate continued to participate in, and support, the Fundisa for Change Programme in 2017/18. Being a national collaborative / partnership programme, Fundisa for Change includes almost all of South Africa's major environmental organisations which are involved with teacher and teacher educator professional development. The programme aims to enhance and strengthen both the teaching of environmental concepts as well as transformative environmental learning in schools. Through this programme, SANBI's Environmental Education (EE) Centres facilitated two teacher workshops in Limpopo and Kwazulu-Natal with 54 teachers trained.

Furthermore, in response to ad hoc requests from Department of Basic Education officials, three teacher workshops were also facilitated at the EE Centres in Walter Sisulu National Botanical Garden (WSNBG) and Pretoria National Botanical Garden (PNBG) with a total of 132 teachers.

The partnership established in 2016/2017 with the Gauteng Department of Agriculture and Rural Development's (GDARD) Roodeplaat Nature Reserve continued this year and resulted in four nature conservation students being supported at the PNBG EE Centre to fulfil the environmental education components of their work-integrated learning (WIL) course obligation. Another previously established partnership, with SANEDI, specifically the South African Centre for Carbon Capture and Storage (SACCCS) continued to be a conduit for capacity development this year. A training programme was done with 10 BEE interns and trainees on the concepts of climate change.



mitigation and adaptation, carbon capture and storage. In the FSNBG, the EE Centre facilitated a five-day training course with 15 EPWP workers appointed at the Garden. Not only were the basic concepts of biodiversity, conservation and sustainable use of resources done, but also an induction into SANBI as well as basic customer service training.

The Department of Environmental Affairs (DEA) invited the BEE Directorate to participate in an international programme, Global Youth Biodiversity Network (GYBN). This is an international network of youth organisations and individuals which aims to represent the voice of the global youth in negotiations under the United Nations Convention on Biological Diversity (CBD), so as to raise awareness among young people about the value of biodiversity and connect youth and youth organisations in order to build a global coalition to halt the loss of biodiversity. Recognised and supported by the CBD Secretariat, GYBN seeks to inspire youth and future leaders to work for the sustainable use and conservation of biodiversity for a healthy environment and society. Three young students at the PNBG EE Centres and WSNBG were selected to attend the South African GYBN workshop and were presented with certificates of participation by DEA's Minister, Dr Edna Molewa. One of the main outputs of this workshop will be a GYBN community-based project which the three students will facilitate in 2018/2019.



An exciting new partnership was created between the SANBI Zoological Systematics and Collections Directorate and the BEE Directorate linked to a bird monitoring project in the Thomo, Modjadji and Burgerfort villages in Limpopo. The PNBG EE Centre assisted with training programmes for the 15 young people recruited to participate in the project.

University Career expo's and fairs were facilitated at the University of the Western Cape, Sefako Makgatho Medical and Health Sciences University, University of Johannesburg, Vaal University of Technology and University of South Africa (UNISA). Over 600 students were reached, through meaningful engagement on Biodiversity and Environmental Careers.

The funding received in 2016/2017 from the Botanical Society of South Africa (BotSoc) for the greening of eight schools through the Outreach Greening Programme continued to be used this year. Site visits were facilitated to ensure that the six gardens established with the schools' greening teams last year were flourishing and being well maintained. In addition, workshops on basic horticultural skills were facilitated for the greening teams at the two remaining schools so as to enable them to plant their gardens this year.



BEE Centres celebrated ten (10) environmental days and weeks this year: Plant Conservation Day, Earth Day, Biodiversity Day, Environmental Week, Arbor Week, Wetlands Week and Water Week, Climate Change Week, Weedbuster Week and Marine Week. These celebrations took a variety of formats: events with speeches as well as environmental actions (planting indigenous gardens, planting trees, clean-up campaigns, etc.), special lessons in national botanical gardens as well as in contexts linked to the environmental day or week (for example, in wetlands, on beaches, etc.), and various community engagements in partnership with other environmental organisations. A total of 7 622 beneficiaries participated in these celebrations this year.





A total of 764 beneficiaries were reached through holiday programmes conducted by each BEE Centre. The aim of these programmes is to simultaneously educate and entertain children and youth through fun activities such as art workshops, games, story-telling and nature treasure hunts which take place in SANBI's national botanical gardens. The programmes are very popular and assist in making younger generations to appreciate SA's open spaces and the biodiversity in and around them.

The PNBG EE Centre also continued their partnership with the Miss Earth South Africa pageant this year. A presentation about biodiversity was done at the Gauteng regional final. In addition, the EE Centre supported the activities of two of the pageant's participants which included hosting two schools which the participants sponsored for lessons in the PNBG, a community clean-up campaign and a tree-planting event. One of the two participants was crowned the second princess.

BEE's innovative approach to delivering the primary and high schools career programme continued to be highly successful this year. In the Primary School Career Visit Programme, each selected primary school receives a package of information from the EE Centres on Biodiversity Careers. The teachers and learners use this information pack to research selected biodiversity careers and then the learners are required to prepare short dramas about each career, towards an event on careers. On the day of the event, the career dramas are performed, often in front of a few grades but sometimes to the entire school. The success of this programme rests on the fact that the learners are exposed to biodiversity careers in a way that they find very entertaining. A total of 344 beneficiaries were reached this year.

The structured 'expo' format for the High School Career Programme continued to be used this year. Each EE Centre invited various environmental organisations, SANBI scientists, horticulturists and universities to participate. At each stand, somebody who is a professional within their biodiversity career was present to inform the learners about the work they do, what their higher education studies were, their current career pathway as well as other potential career pathways. When universities were present, they are able to inform the learners about admission processes, fees, bursaries, etc. This year over 795 beneficiaries participated the High School Career Programme.

The PNBG EE Centre once again partnered with the Australia-South Africa Alumni Association in order to participate in the national 'Take-A-Girl-Child- to Work' Programme. A career programme involving seven SANBI biodiversity professionals allowed 54 learners and two (2) teachers from Letsibogo Girls High School to be exposed to the working world.



The 'Combatting Biodiversity Crimes' Programme was facilitated at EE Centres this year with themes that included marine poaching, cycads, the Forest Elephant's Foot (*Dioscorea sylvatica*), and medicinal plants. Anecdotal evidence seems to indicate that the events, which often included a walk or run, are having the desired effect of raising interest and awareness about biodiversity crimes within communities. This year, 522 beneficiaries were reached through these events.



Learners from Several School in Pietermaritzburg attending the Combating Biodiversity Crime Campaign at the KZN NRG.

SANBI hosted 10 interns on the DST-NRF internship programme, a programme aimed at “providing SET (Science, Engineering and Technology) graduates an opportunity to acquire practical work experience and improve their competencies through mentoring and exposure to a research environment”. These interns made a valuable contribution towards SANBI’s research programmes and many indicated that the internship gave them the opportunity to assess their chosen career paths and map career goals for the next few years. Two of these interns were appointed in permanent positions in SANBI.

Thirteen interns were hosted on the WWF-SA graduate internship programme, all in scarce skills science areas. With increased knowledge and leadership skills (developed through workshops and outreach programmes organised and hosted by WWF-SA), these interns will certainly make their mark in the sector.



Towards the end of these internship programmes, the interns were given an opportunity to reflect on their experiences and present their key learning to staff at the Kirstenbosch Research Centre, and many staff were in awe of the interns’ interpretation of SANBI’s role and contribution to science and policy. Several of these interns successfully applied for financial support towards Master’s and Doctoral studies.

In addition to the interns hosted on these two programmes, several other interns, work-integrated learning students, postgraduate students and postdoctoral fellows made a significant contribution to SANBI in the year under review. Several postgraduate students completed their studies (Honours x 6, Masters x 15 and Doctoral x 6).



Quite a few SANBI staff completed their studies in the year under review – ranging from undergraduate degrees to PhD's, with 1 staff member, Dr Judith Arnolds, obtaining 2 PhD's (Botany and Environmental Health)! Several horticultural conservation workers are pursuing diplomas in Horticulture, with 1 worker at the KwaZulu-Natal National Botanical Garden, obtaining 21 distinctions of 24 modules passed towards the qualification!

PROFESSIONAL DEVELOPMENT TALLY FOR 2017/18:

- Work-integrated learning students: 17
- Kirstenbosch Scholar: 1
- Interns: 40
- Honours students: 6
- Masters students: 53
- Doctoral students: 19
- Postdoctoral Fellows: 15

BUILDING THE TALENT PIPELINE – INTERNS HOSTED IN 2017/18

SANBI hosted 40 interns nationally in the year under review. Many of these interns were placed in scarce skill areas like taxonomy and statistical ecology. Thirteen interns were funded by the WWF Graduate Placement Programme and ten by the DST, National Research Foundation Internship Programme. The biggest contingent of interns was hosted at the Kirstenbosch Research Centre in Cape Town.

Through capacity building initiatives like the internship programmes, interns benefit from numerous learning opportunities, including orientation into a work environment with practical experience and on-the-job technical skills training through both laboratory and field/sea training. Interns are also exposed to career prospects in biodiversity and if requested exchanges between different research areas are facilitated. The Interns are all matched with mentors and they are thus provided with a valuable opportunity to work with experts.

SANBI is provided with an opportunity to observe and track students for permanent positions and to accelerate the development of designated groups into the mainstream of competitive biodiversity conservation opportunities.

See below what some of the interns had to say about their internship experience.

KAGISO MASHEGO (DST-NRF INTERNSHIP)



My experience as an intern at SANBI has been very rewarding. What makes it a great experience is having a good mentor. I got to learn a lot from my mentor, Dr Marianne le Roux. She initially ensured that I know about what SANBI is doing to preserve our biodiversity, but also shared a lot of skills and knowledge about my prospective career in the field of taxonomy. For the past seven months I've been involved in many activities: doing plant identifications for the family Crassulaceae; assisting my supervisor with the E-flora project wherein I do checklists and taxon mark-ups; and mounting and scanning of plant specimens. I am also involved in a major research project, "A taxonomic evaluation of *T. confine* Sond, *T. durum* Hilliard & B.L Burt and *T. spartioides* A.W.Hill". In this project I look at the morphological characters and the distribution range as a means to differentiate among the three species. The findings of this research will be formalised in a form of a publication. I have also written a popular article on *Crassula obovata* var. *dregeana* that will be published on the Plant of the Week website in January 2018. The career exposure I got from being an intern at SANBI has been wonderful so far, I had an opportunity to attend several workshops such as a plant identification course, geo-referencing training and also BRAHMS training. I attended the Natural Science Collection Facility launch in October and the University of Johannesburg's annual post-graduate symposium in November. This opportunity contributed a lot to networking opportunities with fellow scientists. Next year, I will be presenting my research results at the South African Association of Botanists conference at the University of Pretoria. Following this, SANBI has awarded me with a Master's bursary to pursue my studies at the University of Johannesburg. I will forever be grateful to SANBI for offering me these opportunities.



PREDETERMINED OBJECTIVES



PREDETERMINED OBJECTIVES REPORT 2017/18

Strategic Objective (s)	Key Performance Indicators	Planned Target 2017/18	Actual Achievement 2017/18 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
PROGRAMME 1: RENDER EFFECTIVE AND EFFICIENT CORPORATE SERVICES				
1.1 SANBI is positioned as an employer of choice in the biodiversity sector	Percentage of payroll allocated and spent on staff development	1% of payroll allocated and spent on staff development	Achieved. 1% of payroll allocated and spent on staff development	
	Transformed Institute that reflects the demography of the South African population	44% female staff on permanent and contract employment.	Partially Achieved. 43.77% was achieved.	43.77% was achieved. Two female staff members resigned in January 2018 and one female staff member resigned in February 2018. These resignations were beyond SANBI's control. If these female staff members did not resign, the target of 44% female staff on permanent and contract employment would have been achieved.
		49% female staff in top and senior management	Achieved. 50% female staff in top and senior management	
		86% of black staff on permanent and contract employment	Achieved. 86% of black staff on permanent and contract employment	
		3% People with disabilities on permanent and contract employment.	Achieved. 3% People with disabilities on permanent and contract employment.	
1.2 Implement an effective, efficient and transparent supply chain and financial management system as regulated by PFMA	GRAP and PFMA compliant annual financial statements.	Unqualified AFS produced to comply with PFMA and GRAP requirements.	Unachieved	Qualified audit opinion was received on the AFS submitted
1.3 Improved financial sustainability of the Institute	Percentage increase of income generated on rental, admission sales and other income	2% increase on own income	Achieved. 2% increase on own income	



PREDETERMINED OBJECTIVES REPORT 2017/18				
Strategic Objective (s)	Key Performance Indicators	Planned Target 2017/18	Actual Achievement 2017/18 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
1.4 Effective corporate services rendered to achieve the mandate of SANBI	Percentage availability of SANBI ICT network and ICT business services	90% of ICT network and business Services are available	Achieved. 90% of ICT network and business Services are available	
	All identified risks managed through an annual risk assessment and implementation of the risk management plan.	Updated, mitigated and monitored risks.	Achieved. Updated, mitigated and monitored risks.	
	Compliance with all relevant Acts and SANBI/DEA protocol through implementation of Compliance Framework	Quarterly Performance report is monitored against the approved APP including PFMA, Cash and ENE reports on a quarterly basis by DEA according to specified time frames set out by the Department.	Achieved. All Quarterly Reports were compiled, reported to various Board Committees and duly submitted on due date to DEA and National Treasury.	
1.5 Building a compelling brand for all stakeholders	Number of marketing and brand communication initiatives identified and utilised for SANBI promotion and profiling to all key stakeholders.	44 Activities to be arranged	Achieved. 44 activities were arranged .	
PROGRAMME 2: MANAGE AND UNLOCK BENEFITS OF THE NETWORK OF NATIONAL BOTANICAL GARDENS AS WINDOWS INTO SOUTH AFRICA'S BIODIVERSITY				
2.1 A network of National Botanical Gardens are managed and maintained in order to realize benefits to SANBI, civil society and other relevant stakeholders	Increased representation and display of indigenous plants in the living collections of SANBI's National Botanical Gardens or the Millennium Seed Bank Partnership.	20 indigenous plant species added to the collections of the National Botanical Gardens and/or the Millenium Seed Bank Partnership (MSBP)	Achieved. 20 indigenous plant species added to the collections of the National Botanical Gardens and/or the Millenium Seed Bank Partnership (MSBP)	
	Number of new National Botanical Gardens established and operational	Implementation plan developed for the upgrade and improvement of existing buildings in the Garden Landscape design for the cultivated portion of the garden approved for implementation	Achieved. Implementation plan developed for the upgrade and improvement of existing buildings in the Garden. Landscape design for the cultivated portion of the garden approved for implementation.	



PREDETERMINED OBJECTIVES REPORT 2017/18

Strategic Objective (s)	Key Performance Indicators	Planned Target 2017/18	Actual Achievement 2017/18 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
2.1 A network of National Botanical Gardens are managed and maintained in order to realize benefits to SANBI, civil society and other relevant stakeholders		Four (4) management plans for the 160ha natural portion of the Garden finalised and approved by the joint SANBI/ECPTA Steering Committee Landscape design for the cultivated portion of the garden approved for implementation	100% Achieved. Four (4) management plans for the 160ha natural portion of the Garden finalised and approved by the joint SANBI/ECPTA Steering Committee. Landscape design for the cultivated portion of the garden approved for implementation.	
	Number of maintenance, development and capital infrastructure projects completed across SANBI's National Botanical Gardens.	45 maintenance/development projects and two (2) SANBI capital infrastructure projects completed.	Achieved. 45 maintenance/development projects and two (2) SANBI capital infrastructure projects completed.	
2.2 Nature-based tourism and recreational activities are strengthened in all National Botanical Gardens in order to contribute to and support SANBI's sustainability	Percentage visitor numbers increased through expanded tourism-related activities and events in National Botanical Gardens	Minimum of five per cent (5%) annual increase in visitor numbers	Not Achieved. 1,552,963 which is an annual decrease of 26% in visitor numbers	The combined total visitor numbers of 2,156,894 was unfortunately reduced to 1,552,963 during the external audit process as a result of insufficient evidence. We were unable to reach the annual target due mainly to a 1% annual drop in the number of visitors to Kirstenbosch. This drop in local visitors and local spending was due to economic downturn in the last quarter of the financial year. The drop in visitor numbers in Q4 compared with the same period in 2016/17 was also experienced by several other Big 7 tourism partners in and around the Cape Peninsula.

PREDETERMINED OBJECTIVES REPORT 2017/18				
Strategic Objective (s)	Key Performance Indicators	Planned Target 2017/18	Actual Achievement 2017/18 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
PROGRAMME 3: BUILD THE FOUNDATIONAL BIODIVERSITY SCIENCE				
3.1 Foundational biodiversity information is developed through describing and classifying species and ecosystems in South Africa	Number of plant and animal species for which descriptive and classification information has been compiled	Information on 4,200 South African plant and 1,000 animal species compiled	Exceeded Target. Information on 4,422 South African plant species and 1,040 animal species.	The species information received for the groups could not be disaggregated and/or spilt, due to composite information received from partners. The number of plant species were exceeded by 222, due to extra capacity in the form of internships and contract personnel. The number of animal species were exceeded by 40, due to partner institutions submitting more records than planned.
	Number of ecosystem classification systems and maps developed for the National Biodiversity Assessment	Annual Report on ecosystem classification and mapping.	Achieved. Annual Report on ecosystem classification and mapping.	
	Number of quality controlled records for plant specimens in SANBI's herbaria, and for animal specimens in museums or based on observations, added to databases	21,000 records added to plant database; 35,000 records added to animal database.	Achieved. 21,000 records added to plant database; 35,000 records added to animal database.	





PREDETERMINED OBJECTIVES REPORT 2017/18

Strategic Objective (s)	Key Performance Indicators	Planned Target 2017/18	Actual Achievement 2017/18 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
PROGRAMME 4: ASSESS, MONITOR AND REPORT ON THE STATE OF BIODIVERSITY AND INCREASE KNOWLEDGE FOR DECISION MAKING INCLUDING CLIMATE CHANGE				
4.1 New biodiversity knowledge created for decision making	Number of research papers published in ISI journals	85 additional publications.	Achieved. 85 additional papers published.	
4.2. Scientific evidence on the status of biodiversity (based on monitoring and assessment including that of biodiversity loss) and the risks and benefits, is provided	Number of national scientific synthesis & assessment reports produced	NBA 2018 on schedule according to operational plan	Achieved. NBA 2018 on schedule according to operational plan	
		Red List assessments for one additional taxonomic group completed	Achieved. Red List assessments for one additional taxonomic group completed	
		National report completed on the status & trends of listed invasive species	Achieved. National report completed on the status & trends of listed invasive species	
		Scoping document for a monitoring framework on Invasives initiated	Achieved. Scoping document for a monitoring framework on Invasives initiated	
		Baseline data for monitoring impacts of GMOs	Achieved. Baseline data for monitoring impacts of GMOs	
	Number of annual updates of non detriment findings for the Scientific Authority to support NEMBA regulations	One update for Non-Detriment Findings for the Scientific authority	Achieved. 1 update for Non-Detriment Findings for the Scientific authority	
	Number of large (>R2 million) cooperative research and Assessment programmes that have delivered knowledge and data	Two projects operational (BioGaps & Deep Secrets) and one new proposal (GEF 6)	Achieved. 2 projects operational (BioGaps & Deep Secrets) and one new proposal (GEF 6)	



PREDETERMINED OBJECTIVES REPORT 2017/18				
Strategic Objective (s)	Key Performance Indicators	Planned Target 2017/18	Actual Achievement 2017/18 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
PROGRAMME 5: PROVIDE BIODIVERSITY POLICY ADVICE AND ACCESS TO BIODIVERSITY INFORMATION; AND, SUPPORT FOR CLIMATE CHANGE ADAPTATION				
5.1 Tools to support management and conservation of biodiversity developed and applied	Number of tools and knowledge resources developed to support mainstreaming of biodiversity assets and ecological infrastructure in production sectors and natural resource management	Two tools produced including an Environmental Decision Support Tool and an Online User Tool for accessing biodiversity information.	Achieved. 2 tools produced including an Environmental Decision Support Tool and an Online User Tool for accessing biodiversity information.	
		Three knowledge resources developed and disseminated.	Achieved. 3 knowledge resources developed and disseminated.	
	Number of coordination or learning mechanisms convened to share lessons and build capacity among provincial, municipal or other relevant decision makers.	Four learning or coordination events convened.	Achieved. 4 learning or coordination events hosted.	
		Three training sessions convened.	Achieved. 3 training sessions held.	
5.2: Access to biodiversity data, information and knowledge provided	Number of biodiversity records published	An increase of 58 000 records published.	Achieved. An increase of 58,000 records published.	
5.3: Scientific advice to support national and international policy processes provided	Percentage of policy requests from DEA, provinces, municipalities and other organs of state responded to within timeframe stipulated in the request	100% of relevant written requests from DEA and other organs of state responded to within timeframe stipulated.	Achieved. 100% of relevant written requests responded to	



PREDETERMINED OBJECTIVES REPORT 2017/18

Strategic Objective (s)	Key Performance Indicators	Planned Target 2017/18	Actual Achievement 2017/18 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
5.4: Policy support on climate change adaptation provided to inform national and international decision making	An effective National Implementing Entity to the Global Adaptation Fund shares lessons and experiences on a number of national and international platforms to inform climate change adaptation policy	Lessons and experience from NIE projects captured to inform four fora	Achieved. Lessons and experience from NIE projects were shared at 4 fora	
	Number of biodiversity sector tools into which Climate Change Adaptation has been mainstreamed	One biodiversity sector tool into which Climate Change Adaptation will be mainstreamed is identified	Achieved. 1 biodiversity sector tool into which Climate Change Adaptation will be mainstreamed is identified	

PROGRAMME 6: PROVIDE HUMAN CAPITAL DEVELOPMENT, BIODIVERSITY EDUCATION AND AWARENESS IN RESPONSE TO SANBI'S MANDATE

6.1: A transformed and suitably skilled workforce for the biodiversity is developed.	Number of black biodiversity professionals developed through human capital development initiatives including structured internships, post graduate studentships and a fellowship programme for the achievement of a transformed and skilled workforce in the biodiversity sector.	73 professionals developed through structured internships and post graduate studentships and a fellowship programme	Achieved. 73 professionals developed.	
	Number of beneficiaries participate in the Biodiversity Careers Programme aimed at attracting young people into the biodiversity sector	1000 beneficiaries participate in Biodiversity Careers Programme	Exceeded Target. 1,338 Beneficiaries participated.	Target of 1,000 has been exceeded by 338, as a result a total of 1,338 beneficiaries participated. The main reason for exceeding the target is because additional funding was secured through WWF. Another factor is the opening of the Kwelera Garden which created opportunities to work with schools in that area.

PREDETERMINED OBJECTIVES REPORT 2017/18

Strategic Objective (s)	Key Performance Indicators	Planned Target 2017/18	Actual Achievement 2017/18 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
6.2 All national botanical gardens are promoted and used as platforms for biodiversity awareness, education and recreation.	Number of users and beneficiaries of botanical gardens and school-based programmes for education, awareness, training and recreation have been increased	52 000 beneficiaries of garden and school-based have been reached.	Not Achieved. 44,856 Beneficiaries reached.	The total number of beneficiaries reached during the year was 55,373. This number was reduced by 10,517 during the external audit process as a result of insufficient evidence.
6.3 Civil society is engaged to contribute to science, monitoring and biodiversity conservation.	Number of platforms facilitated for civil society engagement that contribute to biodiversity monitoring and biodiversity conservation.	Two platforms strengthened and facilitated	Achieved. The annual assessment of iSpot records; review of SABAP contract were fully achieved.	





PREDETERMINED OBJECTIVES REPORT 2016/17

Strategic Objective (s)	Key Performance Indicators	Planned Target 2016/17	Actual Achievement 2016/17 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
PROGRAMME 1: RENDER EFFECTIVE AND EFFICIENT CORPORATE SERVICES				
1.1: SANBI is positioned as an employer of choice in the biodiversity sector	Percentage of payroll allocated and spent on staff development	2% of payroll allocated and spent on staff development	Achieved. 2% of payroll allocated and spent on staff development.	
	Transformed Institute that reflects the demography of the South African population	57% male staff on permanent and contract employment.	Exceeded Target. 56.6% male staff on permanent and contract employment	56.6% male staff on permanent and contract employment. The annual target was to reduce the male staff on permanent and contract employment to 57%. The target has slightly been exceeded.
		43% female staff on permanent and contract employment.	Exceeded Target. 43.4% female staff on permanent and contract employment.	43.4% female staff on permanent and contract employment. The annual target was to increase the female staff on permanent and contract employment to 43%. The target has slightly been exceeded.
		3% People with disabilities on permanent and contract employment.	100% Achieved. 3% People with disabilities on permanent and contract employment.	
1.2: Implement an effective, efficient and transparent supply chain and financial management system as regulated by PFMA	GRAP and PFMA compliant annual financial statements.	Unqualified AFS produced to comply with PFMA and GRAP requirements.	Achieved. The financial transaction were accurately captured and reconciliations were performed according to the system of internal control.	
1.3: Improved financial sustainability of the Institute	Percentage increase of income generated on rental, admission sales and other income	2% increase on own income	Exceeded Target. 22% Increase over the previous year and 41% increase over corresponding period in the prior year	22% Increase over the previous year and 41% increase over corresponding period in the prior year
1.4 Effective corporate services rendered to achieve the mandate of SANBI	Percentage availability of SANBI ICT network and ICT business services	90% of ICT network and business Services are available	Achieved. The systems uptime of 90% was fully achieved. The Networks and Business Applications are running consistently and were available to the users above the uptime threshold set.	

PREDETERMINED OBJECTIVES REPORT 2016/17				
Strategic Objective (s)	Key Performance Indicators	Planned Target 2016/17	Actual Achievement 2016/17 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
1.4 Effective corporate services rendered to achieve the mandate of SANBI	All identified risks managed through an annual risk assessment and implementation of the risk management plan.	Updated, mitigated and monitored risks.	Achieved. All Risks identified during the risk assessment workshops and included in the risk register were mitigated, constantly monitored in line with the Combined Assurance Model and reported to the Risk and Audit Committee for progress.	
	Compliance with all relevant Acts and SANBI/DEA protocol through implementation of Compliance Framework	Quarterly Performance report is monitored against the approved APP including PFMA, Cash and ENE reports on a quarterly basis by DEA according to specified time frames set out by the Department.	Achieved. All Quarterly Reports were compiled reported to various Board Committees and duly submitted on due date to DEA and National Treasury.	
1.5 Building a compelling brand for all stakeholders	Number of marketing initiatives identified and utilised for SANBI promotion, profiling and external communication to stakeholders.	4 Shows, 4 Exhibitions, 12 Concerts, 12 Events and 4 Campaigns /Activations	Achieved. 4 shows, 4 exhibitions, 12 concerts, 12 events and 4 campaigns/activations carried out as planned.	
	Number of appropriate platforms utilised for internal communication.	4 internal communication platforms	Achieved. 4 CEOs letters and staff newsletter produced and staff competition coordinated.	
PROGRAMME 2: MANAGE AND UNLOCK BENEFITS OF THE NETWORK OF NATIONAL BOTANICAL GARDENS AS WINDOWS INTO SOUTH AFRICA'S BIODIVERSITY				
2.1 A network of National Botanical Gardens are managed and maintained in order to realize benefits to SANBI, civil society and other relevant stakeholders	Increased representation and display of indigenous plants in the living collections of SANBI's National Botanical Gardens or the Millennium Seed Bank Partnership.	20 new indigenous plant species added to the living collections of the combined network of National Botanical Gardens and/ or Millennium Seed Bank Partnership.	Achieved. 20 indigenous species added to the living collections of the network of national botanical gardens and/ or Millennium Seed Bank Partnership.	





PREDETERMINED OBJECTIVES REPORT 2016/17

Strategic Objective (s)	Key Performance Indicators	Planned Target 2016/17	Actual Achievement 2016/17 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
2.1 A network of National Botanical Gardens are managed and maintained in order to realize benefits to SANBI, civil society and other relevant stakeholders	Number of new National Botanical Gardens established and operational	Implementation of the MoA between SANBI and LEDET for the management of the new national botanical garden in the Limpopo Province	Not Achieved. Implementation of MoA between SANBI and LEDET was not completed.	Draft SLA developed between SANBI and LEDET. Combined Task Team comprising DEA, SANBI, LEDET, Provincial and National Departments of Public Works established. Four posts for the new NBG advertised by SANBI.
		Implementation of the Kwelera Nature Reserve Management Plan between SANBI and ECPTA for the management of the Kwelera National Botanical Garden in the Eastern Cape	Not Achieved. Management plan was developed but not implemented.	SANBI and ECPTA Steer-Com established and functional. Management Plan implemented for the new Garden. DEA Minister requested to proclaim the 10ha SANBI land as part of the Kwelera NBG.
	Number of maintenance, development and capital infrastructure projects completed across SANBI's National Botanical Gardens.	45 maintenance/ development projects and two (2) SANBI capital infrastructure projects completed.	Achieved. 45 maintenance/development projects and two (2) SANBI capital infrastructure projects 100% completed.	
2.2 Nature-based tourism and recreational activities are strengthened in all National Botanical Gardens in order to contribute to and support SANBI's sustainability	Percentage visitor numbers increased through expanded tourism-related activities and events in National Botanical Gardens	Minimum of two per cent (2%) annual increase in visitor numbers	Exceeded Target. 9% annual increase in visitor numbers	2,084,814 visitors received (compared with 1,915,799 in 2015/16); representing a 9% annual increase in visitor numbers. Due to tourism sector growth and increased number and popularity of events hosted in various gardens.
PROGRAMME 3: BUILD THE FOUNDATIONAL BIODIVERSITY SCIENCE				
3.1 Foundational biodiversity information is developed through describing and classifying species and ecosystems in South Africa	Number of plant and animal species for which descriptive and classification information has been compiled	Information on 4,200 South African plant and 1,000 animal species compiled	Exceeded Target. 4 916 South African plant compiled and 1014 animal species compiled	Exceeded target on plant species pages by 716 due to the inclusion of species descriptions from the existing Flora of southern Africa in its entirety (gymnosperms and angiosperms) as it was more sensible to upload all of these descriptions from the series together instead of splitting the information; Exceeded target on animal species pages by 14 because we received 14 more from a partner.



PREDETERMINED OBJECTIVES REPORT 2016/17				
Strategic Objective (s)	Key Performance Indicators	Planned Target 2016/17	Actual Achievement 2016/17 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
3.1 Foundational biodiversity information is developed through describing and classifying species and ecosystems in South Africa	Number of ecosystem classification systems and maps developed for the National Biodiversity Assessment	Actions and plans to finalise ecosystem classification systems and maps, as approved by the National Committee, completed (for terrestrial, fresh water, estuarine and marine realms)	Achieved. The actions and plans approved by National Committee and completed.	
	Number of quality controlled records for plant specimens in SANBI's herbaria, and for animal specimens in museums or based on observations, added to databases	12,000 records added to plant database; 35,000 records added to animal database.	Exceeded Target. 16473 records added	Exceeded plant database records added with 4743 records (16473 records added for the year) due to extra capacity received from internship and additional allocation of tasks to contract personnel in the Invasive Species Programme. Exceeded animal database records by 54 because data were contributed by many researchers some who delivered more than their allocations.
PROGRAMME 4: ASSESS, MONITOR AND REPORT ON THE STATE OF BIODIVERSITY AND INCREASE KNOWLEDGE FOR DECISION MAKING INCLUDING CLIMATE CHANGE				
4.1: New biodiversity knowledge created for decision making	Number of research papers published in ISI journals	75 publications. (20 from Biosystematics & Collections; 55 from Biodiversity Research, Assessment & Monitoring)	Exceeded Target. In total 117 papers in ISI journals	The target was based on a declining trend in ISI publications since 2012 and loss of several senior scientists. The intention is to achieve above the target (based on career ladder requirements) and the high achievement is due to (i) early publication of a special issue on biological invasions (9 papers); (ii) changes in the publishing format with an increase in early online publications, and (iii) a substantial increase in papers published with partner organisations



PREDETERMINED OBJECTIVES REPORT 2016/17

Strategic Objective (s)	Key Performance Indicators	Planned Target 2016/17	Actual Achievement 2016/17 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
4.2. Scientific evidence on the status of biodiversity (based on monitoring and assessment including that of biodiversity loss) and the risks and benefits, is provided	Number of national scientific synthesis & assessment reports produced	NBA 2018 operational plan meeting targets agreed to by the Core Reference Group and Steering Committee	Achieved. NBA 2018 operational plan meeting targets were agreed to by the Core Reference Group and Steering Committee	
		National Invasive Species Report (NISR) 2017 initiated and data acquisition plan implemented	Not Achieved. National Invasive Species Report (NISR) initiated but data acquisition plan was not fully implemented	The National Invasive Species Report (NISR) was initiated and the plan partially implemented.
		GMO monitoring plan submitted	Achieved. GMO Monitoring plan submitted to the Department of Environmental Affairs	
		One Red List Assessment (spiders) completed and Core reference group approved, report workplan approved -Test data analysis for National Invasives report -Monitoring plan for GMOs	Achieved. Redlist assessment for line fish completed. Assessments are posted on the official national Red List website for South Africa Species Status and Information	
	Number of annual updates of non detriment findings for the Scientific Authority to support NEMBA regulations	One update for Non-Detriment Findings for the Scientific authority	Not Achieved. No update for non-detriment findings for the Scientific Authority	The final report will be submitted late due to urgent other matters that arose from the 17th CITES Conference of the Parties (trade in lion bones), leopard monitoring, and applications to export rhino
	Number of large (>R2 million) cooperative research and Assessment programmes that have delivered knowledge and data	Three large research and assessment programmes initiated (SEAKEYS, Invasive species Programme, BioGAP)	Achieved. SEAKeys and ISP completed, BioGap on target.	



PREDETERMINED OBJECTIVES REPORT 2016/17				
Strategic Objective (s)	Key Performance Indicators	Planned Target 2016/17	Actual Achievement 2016/17 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
PROGRAMME 5: PROVIDE BIODIVERSITY POLICY ADVICE AND ACCESS TO BIODIVERSITY INFORMATION; AND, SUPPORT FOR CLIMATE CHANGE ADAPTATION				
5.1: Tools to support management and conservation of biodiversity developed and applied	Number of tools and knowledge resources developed to support mainstreaming of biodiversity assets and ecological infrastructure in production sectors and natural resource management	Two tools produced, including an Ecosystem Restoration Decision Support Tool and an Online User Tool for accessing biodiversity information.	Achieved. Two tools included: A spatial framework for the evaluation of applications for the 2017-18 Land User Incentive (LUI) programme to support DEA Natural Resource Management Programme in determining where to invest resources in ecosystem restoration. A Data Publishing Tool for Monitoring the Impacts of Energy Infrastructure on Birds and Bats was developed (http://eia.sanbi.org/). The need for this tool was identified through the development of the Wind and Solar Strategic Environmental Assessment (SEA) due to the negative impacts of grid and renewable energy infrastructure on birds and bats. SANBI development the tool as part of the SEA for Electricity Grid Infrastructure.	
		Three knowledge resources developed and disseminated.	Achieved. Three knowledge resource developed including: The Lexicon of Biodiversity Planning in South Africa; factsheet on the uMngeni Ecological Infrastructure Partnership and a factsheet on the Biodiversity Land Use Project.	
5.1: Tools to support management and conservation of biodiversity developed and applied	Number of coordination or learning mechanisms convened to share lessons and build capacity among provincial, municipal or other relevant decision makers.	Four learning or coordination events convened.	Achieved. Four learning or coordination events hosted including the Biodiversity Planning Forum, the Biodiversity Information Management Forum, the Freshwater Ecosystem Network and the National Management, Research and Planning (MAREP) Forum	



PREDETERMINED OBJECTIVES REPORT 2016/17

Strategic Objective (s)	Key Performance Indicators	Planned Target 2016/17	Actual Achievement 2016/17 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
5.1: Tools to support management and conservation of biodiversity developed and applied	Number of coordination or learning mechanisms convened to share lessons and build capacity among provincial, municipal or other relevant decision makers.	Four training sessions convened.	Achieved. Four training sessions held including Geo-referencing training, the UEIP-UCPP Learning Exchange to build capacity in catchment management and two training sessions held on Biodiversity GIS (BGIS).	
5.2: Access to biodiversity data, information and knowledge provided	Number of biodiversity records published	An increase of 50 000 records published.	Exceeded Target. This target was adjusted at mid-term to an annual target of 114000 records published. A total of 114385 records were published (Q2 = 25000; Q3 = 14385 and Q4 = 75000). These biodiversity records included botanical records of plant observations made in the field, records of marine species and trawl survey data. These records are published online allowing users access to this biodiversity data.	An additional 385 (< 0.4% increase) records were published in Q3 as the dataset of biodiversity records received from SANBI partners was slightly larger than anticipated.
5.3: Scientific advice to support national and international policy processes provided	Percentage of policy requests from DEA, provinces, municipalities and other organs of state responded to within timeframe stipulated in the request	100% of written requests from DEA and other organs of state responded to within timeframe stipulated.	Achieved. 100% of written requests responded to providing scientific advice to support national policy processes including on marine spatial planning, marine protected areas, sustainable land management and management of biodiversity assets.	



PREDETERMINED OBJECTIVES REPORT 2016/17				
Strategic Objective (s)	Key Performance Indicators	Planned Target 2016/17	Actual Achievement 2016/17 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
5.4: Policy support on climate change adaptation provided to inform national and international decision making	An effective National Implementing Entity to the Global Adaptation Fund shares lessons and experiences on a number of national and international platforms to inform climate change adaptation policy	Lessons and experience from NIE projects captured to inform two national and two international platforms on climate change adaptation policy.	Achieved. Lessons and experiences from NIE were shared at four fora including: Adpatation Futures 2016, Treasury Innovation Fund Workshop, UNFCCC COP, and ICLEI Local Climate Solutions for Africa: Water and Climate Congress.	
	Number of biodiversity sector tools into which Climate Change Adaptation has been mainstreamed	A biodiversity tool into which Climate Change Adaptation will be incorporated is identified.	Achieved. The biodiversity tool, a Guideline for Identification and Implementation of Ecosystem-based Adaptation (EbA) Projects in South Africa was completed.	
PROGRAMME 6: PROVIDE HUMAN CAPITAL DEVELOPMENT, BIODIVERSITY EDUCATION AND AWARENESS IN RESPONSE TO SANBI'S MANDATE				
6.1: A transformed and suitably skilled workforce for the biodiversity is developed.	Number of black biodiversity professionals developed through human capital development initiatives including structured internships, post graduate studentships and a fellowship programme for the achievement of a transformed and skilled workforce in the biodiversity sector.	92 professionals developed through structured internships and post graduate studentships.	Not Achieved. 66 professional were developed	Annual target was not achieved as only 66 out of the 92 professionals were developed. The targets for WIL, interns, fellows and Honours were met but the target for Masters and PhDs was not met as degrees have not been completed.
	Number of beneficiaries participate in the Biodiversity Careers Programme aimed at attracting young people into the biodiversity sector	1000 beneficiaries participate in Biodiversity Careers Programme	Exceeded Target. 1338 Beneficiaries participated.	Target of 1000 has been exceeded by 338, as a result a total of 1338 beneficiaries participated. The main reason for exceeding the target is because additional funding was secured through WWF. Another factor is the opening of the Kwelera Garden which created opportunities to work with schools in that area.



PREDETERMINED OBJECTIVES REPORT 2016/17

Strategic Objective (s)	Key Performance Indicators	Planned Target 2016/17	Actual Achievement 2016/17 (Achieved, Partially Achieved, Not Achieved, Exceeded Target and Modification)	Deviation from Planned Target to Actual Achievement
6.2: All national botanical gardens are promoted and used as platforms for biodiversity awareness, education and recreation.	Number of users and beneficiaries of botanical gardens and school-based programmes for education, awareness, training and recreation have been increased	50 000 beneficiaries of garden and school-based have been reached.	Exceeded Target. 55 373 Beneficiaries reached.	The annual target of 50 000 has been exceeded as a total of 55 373 beneficiaries have been reached. The target was exceeded because of the investment to promote the newly developed Biodiversity Education Programme at certain Education Centres. Figures have been particularly high at the Pretoria NBG EE Centre.
6.3: Civil society is engaged to contribute to science, monitoring and biodiversity conservation.	Number of platforms facilitated for civil society engagement that contribute to biodiversity monitoring and biodiversity conservation.	Three platforms strengthened and facilitated	Achieved. The annual assessment of iSpot records; review of SABAP contract were fully achieved.	



CORPORATE GOVERNANCE



CORPORATE GOVERNANCE STATEMENT

Corporate governance is the set of processes, customs, policies, laws and institutions affecting the way a corporation (or company) is directed, administered or controlled. An important theme of corporate governance is the nature and extent of accountability of particular individuals in the organisations, and the mechanisms that try to reduce or eliminate the principal-agent problem. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the corporation is governed. In contemporary business corporations, the main external stakeholder groups are shareholders, debt holders, trade creditors, suppliers, customers and communities affected by the corporation's activities. Internal stakeholders are the board of directors, executives and other employees.

The South African National Biodiversity Institute (SANBI) subscribes to and is committed to complying with the principles and standards of integrity and accountability expressed in the Public Finance Management Act, relevant National Treasury Regulations and where applicable and practical the King IV Report principles and recommendations on Corporate Governance (GAS). Through the leadership and guidance of the Governance and Strategy Committee good ethical practices are enforced according to King VI principles.

The Institute's Board, its Sub-committees and the Executive Management Committee (EXCO) ensure that the Institute complies with these principles.

APPOINTMENT AND COMPOSITION OF THE BOARD

According to Section 15 of the National Environmental Management: Biodiversity Act, 10 of 2004, the SANBI Board Members are appointed by the Executive Authority for a term of three years. In terms of the Public Finance Management Act (PFMA) the Board is the Accounting Authority of the Institution. Members of the Executive Management Committee (EXCO) attend Board meetings by invitation.

The Board meets quarterly or whenever required for specific extraordinary meetings. The business of the Board and its functions are conducted in line with the approved Board Manual. The Board induction is conducted on appointment of the new Board members.

The focus areas of the Induction sessions usually cover the following, et al:

- Broad introduction of SANBI,
- Financial position,
- Enterprise Risks Management,
- Fund raising strategy and sustainability,
- ICT Governance Framework implementation,
- Human Resources Programme,
- Marketing and Communication initiatives and activities,
- Five year Strategic Plan,
- Annual Performance Plan, and
- Capex, Opex and Projects Budgets

The Board consists of not fewer than seven and not more than nine members who are appointed by the Minister of Environmental Affairs. The Board further includes the Director-General, or an official of the Department Environmental Affairs designated by the Director-General, and the Chief Executive Officer of the SANBI.

THE SANBI BOARD MEMBER FOR THE PERIOD 1 APRIL 2017 – 31 MARCH 2018

Mrs M.E Magomola (Board chairperson)

Prof. B. van Wilgen

Dr S.T Cornelius

Dr J.M Matjila

Mrs N.N Mnqeta

Mr S Gounden

Mrs B.D Ngidi

Mrs T. Godongwana

Mrs S. Mancotywa (DEA representative)

Dr Y. Seleti (DST representative)

Dr T. Abrahamse (Chief Executive Officer) (ex officio) (01/04/2017 – 31/08/2017)

Dr M. Rampedi (Chief Executive Officer) (ex officio) (01/09/2017 – 31/03/2018)

FIDUCIARY DUTIES

With regard to fiduciary duties, the SANBI Accounting Authority exercises the duty of skill and care in the quest to ensure reasonable protection of the assets of the entity. The roles of the Chairperson and Chief Executive Officer do not vest in the same person and the Chairperson is a non-executive member of the Institute. The Chairperson and Chief Executive Officer with the support of the Board, the Sub-Committees and EXCO ensure that the mandate of the Institute is achieved. Implementation of the mandate is evaluated by the Department of Environmental Affairs and progress reports are tabled at the Portfolio Committee on Environmental Affairs (PCEA) on a regular basis.

BOARD ASSESSMENT

The evaluation of the Board should be performed every year. Board members are asked to complete a Self-Assessment Questionnaire to determine their perceptions of the strengths and weaknesses of the Board in the context of their fiduciary accountability to provide direction, guidance and governance of the Institute. The questionnaire reflects the individual perceptions of Board Members. In order to make sense of these comments, to eliminate duplications and to capture the essence and spirit of the comments are consolidated into one edited report. The Board submits the final adopted assessment report to the Minister highlighting successes and challenges during the year.

BOARD COMMITTEES

For operational effectiveness, the Board has appointed Committees for key functional areas of the Institute. These Committees comprise members of the Board and independent members who are well versed in their lines of business. Members are appointed for a term concurrent with that of the Board. All Committees of the Board are chaired by members of the Board. Any Board member may request or be requested to attend a Board Committee meeting. A framework for Sub-committees' responsibilities was developed to ensure focused oversight of each Committee and to avoid duplication of reporting lines and conflicting decisions being made.





THE ROLE OF THE COMMITTEES IS MAINLY TO ADVISE THE BOARD ON:

1. The Institute's mandate;
2. The strategic direction of the Institute;
3. The implementation of the Corporate Strategic Plan and Annual Performance Plan;
4. The monitoring and evaluation of key performance objectives;
5. Establishing and approval of budgeting requirements.

Each Committee is operates within the approved Terms of Reference, which are reviewed annually.

Committee	01 April 2017 to 31 March 2018
Audit and Risk Committee# (ARC)	Dr. S.T Cornelius (Chairperson) Mrs T. Godongwana Board Member Mr J. Makoro (Independent Member) Mr T. Zororo (Independent Member) Dr. T. Abrahamse (CEO) (ex officio) (01/04/2017–31/08/2017) Dr M. Rampedi (CEO) (ex officio) (01/08/2017– 31/03/2018) Ms. E. Makau (DEA: Chief Financial Officer) (ex officio) Ms L. Sithole (Chief Financial Officer) (in attendance)
Governance and Strategy Committee (GAS)	Mr S. Gounden (Chairperson) Dr J.M. Matjila Mrs B.D Ngidi Dr. T. Abrahamse (CEO) (ex officio) (01/04/2017–31/08/2017) Dr M. Rampedi (CEO) (ex officio) (01/08/2017– 31/03/2018) Mr M. Khoahli (in attendance)
Human Resources and Remuneration Committee (HR and REMCO)	Dr J.M Matjila (Chairperson) Dr Y. Seleti Mrs. B.D Ngidi Dr. T. Abrahamse (CEO) (ex officio) (01/04/2017–31/08/2017) Dr M. Rampedi (CEO) (ex officio) (01/08/2017– 31/03/2018) Mr. M. Netshiombo (in attendance)
Research, Development and Innovation Committee (RD and I)	Mrs N.N Mnqeta (Chairperson) Prof. B. van Wilgen Dr Y. Seleti Prof. C. Chimimba (Independent member) Dr. L. Dziba (Independent member) Dr. T. Abrahamse (CEO) (ex officio) (01/04/2017–31/08/2017) Dr M. Rampedi (CEO) (ex officio) (01/08/2017– 31/03/2018) Ms. C Mbizvo (in attendance)

#. As required by Treasury Regulation 27, the Board appointed an Audit and Risk Committee to assist with the discharge of its duties. The terms of reference of this Committee are approved by the Board. The Committee meets four times per year and one extra-ordinary meeting is held during the end of May annually, to consider the draft Annual Financial Statements.

ATTENDANCE RECORD OF MEETINGS

BOARD MEETINGS					
Number of meetings each member attended					
Names	31 May 2017	24 August 2017	24 November 2017	28 February 2018	Total
1. Ms ME Magomola	✓	✓	✓	✓	4
2. Dr J Matjila	✓	-	✓	✓	3
3. Dr ST Cornelius	✓	✓	✓	✓	4
4. Ms NN Mnqeta	✓	✓	✓	✓	4
5. Ms BD Ngidi	✓	✓	✓	✓	4
6. Mr S Gounden	✓	-	-	✓	2
7. Ms T Godongwana	✓	✓	✓	✓	4
8. Prof. B van Wilgen	✓	✓	✓	✓	4
9. Dr Y Seleti	✓	✓	-	✓	3
10. Ms S Mancotywa	✓	-	✓	✓	3
11. Dr T. Abrahamse (CEO) (ex officio) (01/04/2017 – 31/08/2017)	✓	✓	-	-	2
12. Dr M. Rampedi (CEO) (ex officio) (01/08/2017– 31/03/2018)			✓	✓	2

AUDIT AND RISK COMMITTEE						
Number of meetings each member attended						
Names	26 April 2017	30 May 2017	28 July 2017	27 October 2017	26 January 2018	Total
1. Dr ST Cornelius	✓	✓	-	✓	✓	4
2. Ms T Godongwana	-	✓	✓	✓	✓	4
3. Mr T Zororo	✓	-	✓	✓	✓	4
4. Mr J Makoro	-	✓	✓	✓	✓	4
5. Dr T. Abrahamse (CEO) (ex officio) (01/04/2017 – 31/08/2017)	✓	✓	✓			3
6. Dr M. Rampedi (CEO) (ex officio) (01/09/2017 – 31/03/2018)				✓	✓	2



GOVERNANCE AND STRATEGY COMMITTEE MEETINGS					
Number of meetings each member attended					
Names	11 May 2017	15 August 2017	08 November 2017	14 February 2018	Total
1. Mr S Gounden	✓	✓	✓	✓	4
2. Ms BD Ngidi	✓	✓	✓	✓	4
3. Dr J Matjila	✓	✓	✓	-	3
4. Dr T. Abrahamse (CEO) (ex officio) (01/04/2017 – 31/08/2017)	✓	✓			2
5. Dr M. Rampedi (CEO) (ex officio) (01/09/2017 – 31/03/2018)			✓	✓	2

HUMAN RESOURCES AND REMUNERATION COMMITTEE MEETINGS					
Number of meetings each member attended					
Names	10 May 2016	16 August 2017	09 November 2017	13 February 2018	Total
1. Dr J Matjila	✓	✓	✓	✓	4
2. Ms BD Ngidi	✓	✓	✓	✓	4
3. Dr Y Seleti	-	-	✓	✓	2
4. Dr T. Abrahamse (CEO) (ex officio) (01/04/2017 – 31/08/2017)	✓	✓			2
5. Dr M. Rampedi (CEO) (ex officio) (01/09/2017 – 31/03/2018)			✓	✓	2

RESEARCH, DEVELOPMENT AND INNOVATION COMMITTEE MEETINGS					
Number of meetings each member attended					
Names	16 May 2017	03 August 2017	15 Nov 2017	19 Feb 2018	Total
1. Ms NN Mnqeta	✓	✓	✓	✓	4
2. Ms S Mancotywa	✓	✓	-	✓	3
3. Prof. B van Wilgen	✓	✓	✓	✓	4
4. Dr Y Seleti	-	✓	-	✓	2
5. Prof. CT Chimimba	✓	✓	✓	✓	4
6. Dr L Dziba	✓	✓	✓	✓	4
7. Dr T. Abrahamse (CEO) (ex officio) (01/04/2017 – 31/08/2017)	✓	✓			2
8. Dr M. Rampedi (CEO) (ex officio) (01/09/2017 – 31/03/2018)			✓	✓	2

MANAGEMENT STRUCTURE

The Executive Management Committee comprises the Chief Executive Officer (as Chairperson), Head of Biodiversity Science and Policy Advice, Chief Financial Officer, Chief Corporate Officer, all Chief Directors as well as Directors as when required. This Committee meets monthly and additionally meets on ad-hoc basis as deemed necessary. The role of the Committee is to ensure the co-ordinated and efficient execution of all functions delegated to it by the Board.

The management structure of the Institute is geographically decentralised because of the wide geographical spread and activities of its various units. The head of each Unit is called a 'Head of Cost Centre' (HOCC). The Management Committee (MANCO), comprising predominantly of Directors, plays a role of advising EXCO on specific matters.

Implicit in the concept is a substantial measure of delegation of both responsibility and authority, which in turn requires effective control and evaluation systems. Both financial and management responsibilities are delegated and clearly communicated to the HOCC's. These officers are actively involved in the budget development and take responsibility for the disciplined management of their cost centre budgets within clearly defined policies, procedures and Delegations of Authority (DOA) approved by the Board.

AUDIT

The Auditor-General of South Africa (AGSA) is appointed as the external auditor of the SANBI in terms of the Public Audit Act, No.25 of 2004. The Institution has outsourced a private audit firm Mazars to carry out internal audit functions for a period of three years. The Board, through the Audit and Risk Committee, exercises oversight on financial reporting and internal control systems. The Internal Auditors (IA) report to the Audit and Risk Committee (ARC) according to the approved Internal Audit Charter. Included in the Internal Audit Charter is a structured internal audit approach, premised on the International Standards for the Professional Practice of Internal Auditors (ISPPIA) as prescribed by the Institute of Internal Auditors (IIA).

Furthermore it is the requirement of Treasury Regulation 27.2.7 that IA must prepare in consultation with and for approval by the Audit and Risk Committee, a risk based three year rolling IA plan.

ENTERPRISE RISK MANAGEMENT (ERM)

A culture of risk management is inculcated in the Institute. Management is continuously developing and enhancing its risk and control procedures to improve the mechanisms for identifying and monitoring risks. An annual Enterprise Wide Risk assessment, facilitated by the Chief Corporate Officer, was conducted with all the Divisions, including the National Zoological Garden during the year under review. The results of the assessment were reviewed by the Audit and Risk Committee and subsequently approved by the SANBI Board. The identified risks were assigned to risk owners who report progress on risk control action plans and mitigation measures.

An ERM system BarnOwl has been implemented and is being used to monitor progress on the risk action plans as well as mitigation plans in Occupational Health Safety findings.

The Business Continuity Plan (BCP) and the Disaster Recovery Plan (DRP) have been implemented and progress in this regard is regularly reported to the Audit and Risk Committee. Based on the mature ERM culture within SANBI the Combined Assurance Model was developed and is being used to report on the adequacy and effectiveness of all the assurance providers to the Audit and Risk Committee on a quarterly basis.

The Risk Management and Fraud Prevention Committee (RMFPCOM) which is under the auspices of the Audit and Risk Committee and chaired by the Chief Corporate Officer, adjudicates on alleged fraud cases reported through the whistle blowing system or other approved means. This sub-committee functions according to the Terms of Reference approved by the Audit and Risk Committee. A Fraud Prevention Plan is in place. In light of the draught in the Western Cape gardens Water Management Committee was established to manage and monitor the water crisis. The water and fire management plans also cover other affected Provinces.





A Whistle Blowing Hotline is fully functional and is administered by the South African Corporate Fraud Management Institute. The management of the hotline has been outsourced to a private company. The company reports any cases of fraud or misconduct to management and Internal Auditors for investigation if warranted.

Cases of loss and/or damages to assets are recorded into a Loss Control Register and dealt with by the management Liability Assessment Sub-Committee. Sanctions are always administered in cases of proven negligent losses and damages that are ascribed to recklessness and carelessness.

DELEGATION OF AUTHORITY (DOA)

The Board approved the Delegation of Authority Framework for effective operational requirements. This clarifies lines of authority and powers for various transactions the Institute undertakes. The DOA is regularly reviewed and amended to suit the operations of the Institute and for alignment with National Treasury Instructions and other Regulations, especially the Procurements and Cost Containment Guidelines.

INTERNAL CONTROL SYSTEMS

Internal control is a process, effected by an entity's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to the following areas:

- Operations- effectiveness, efficiency, safeguarding of assets
- Reporting- reliability, timeliness, transparency
- Compliance- within regulatory environment

Financial and operational systems of internal control are adhered to as required by applicable Regulations and Laws. Management has a fundamental responsibility to develop and maintain effective internal control. These controls are designed to provide reasonable assurance that transactions are concluded in accordance with management authority, assets are protected and the financial transactions are properly recorded.

MANAGEMENT OF INFORMATION COMMUNICATION TECHNOLOGY (ICT)

The Board is responsible for Information Communication Technology (ICT) governance. The Board delegated aspects of oversight of ICT governance to the Audit and Risk Committee, which provides formal feedback to the Board. There is an approved SANBI Information Technology Policy Framework (Principles & Guidelines) based on the notion that ICT governance exists to inform and align decision making for Information technology planning, policy and operations in order to meet business objectives, ascertain that risk are managed appropriately and verify that resources are being used responsibly and strategically. There is an ICT Governance Framework with an implementation plan that is monitored by the Audit and Risk Committee on a quarterly basis. An ICT Steering Committee is established at a management level to deal with ICT Governance and advises EXCO on ICT strategic matters.

EMPLOYMENT EQUITY (EE)

The Employment Equity Plan in the SANBI is monitored by the Employment Equity and Training Committee. The primary aim of the Employment Equity Plan is to achieve the following:

- Compliance with the provisions and legal requirements of the Employment Equity Act No. 55 of 1998;
- Promotion of equal opportunity and fair treatment in employment through the elimination of unfair discrimination;
- Implementing affirmative action measures to redress the barriers in employment experienced by designated groups to ensure their equitable representation in all occupational categories and levels in the workplace;

- Accommodation of physically challenged people through modification and adjustment of the physical working environment;
- Attraction, development and retention of staff members with emphasis on those from designated groups.

SANBI strives to achieve its Employment Equity Vision through the following initiatives:

- Implementation of all the critical success factors for effective Employment Equity transformation;
- Provision of all necessary personnel and financial resources;
- Utilising the SANBI structures to consult and communicate with all employees, either directly or indirectly;
- Putting in place the enabling systems and working environment geared towards the maximisation of advancement of persons from designated groups.
- Employee participation is encouraged by putting best practices in place to foster good and co-operative relationships and employee participation at all levels of the Institute. Union representation, staff meetings, focus groups and task teams are all instrumental in facilitating participation.

CODE OF CONDUCT

A Code of Conduct that applies to all staff members has been approved and is being implemented. The Code of Conduct facilitates sound business ethics in the Institute and plays an important role in defining the organisational culture and in governing effective discipline within the Institute. It is a standard annexure to all letters of appointment to ensure that new staff members are well informed. A Code of Conduct for Board members has also been developed and implemented and all Board members are subjected to the Code.

CONFLICT OF INTEREST

As part of the appointment protocol, all new staff members of the Institute are obliged to complete a "Declaration on Conflict of Interest" when they are appointed. Management sign this declaration in all meetings. The Bid Committee members also sign the declaration in every procurement adjudication meeting. All Board members are, in keeping with the PFMA, required to complete a "Disclosure of Interest" declaration, annually and at every Board and Sub-Committee meetings. Registers of declaration of interest are kept.

SUPPLY CHAIN MANAGEMENT

During this financial year, the Institute updated and aligned all procurement systems, policies, processes and practices with PFMA and Treasury prescripts on Supply Chain Management. The SANBI complied with the reporting requirements of the Department of Environmental Affairs and National Treasury by regularly reporting on the supply chain management system, activities.

LEGISLATIVE FRAMEWORK

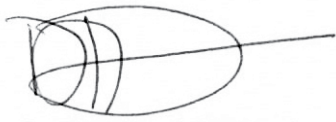
The Institute, being a Section 3A Public Entity, has to comply with a number of laws, including:

- National Environmental Management: Biodiversity Act No. 10 of 2004
- Labour Relations Act No. 66 of 1995
- Basic Conditions of Employment Act No. 75 of 1997
- Employment Equity Act No. 55 of 1998
- Skills Development Act No.97 of 1998
- Skills Development Levies Act No.9 of 1999
- Public Finance Management Act No. 1 of 1999 (PFMA)





- Public Service Administration Act No. 11 of 2014
- Occupational Health and Safety Act No. 85 of 1993
- Generally Recognised Accounting Practice (GRAP)
- Compensation for Occupational Injuries and Diseases Act No. 130 of 1993
- Promotion of Access to Information Act No. 2 of 2000.
- Government Immovable Asset Management Act, No. 19 of 2007.
- Protection of Personal Information Act No. 4 of 2013



Dr. Moshibudi Rampedi

SANBI CHIEF EXECUTIVE OFFICER



ANNUAL FINANCIAL STATEMENTS



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

General Information

Country of incorporation and domicile	South Africa
Controlling entity	Department of Environmental Affairs
Auditors	Auditor-General South Africa
Nature of business and principal activities	<p>SANBI plays a leadership role in:</p> <ul style="list-style-type: none">• generating, coordinating and interpreting the knowledge and evidence required to support policies and decisions relating to all aspects of biodiversity.• the human capital development strategy of the sector. <p>SANBI also manages the National Botanical Gardens as windows to South Africa's biodiversity for recreation, education and research purposes.</p>
Members of the board and sub-committees	<p>Ms ME Magomola (Board Chairperson)</p> <p>Dr T Abrahamse (Chief Executive Officer) (ex officio) (01/04/2017 - 31/08/2017)</p> <p>Dr M Rampedi (Chief Executive Officer) (ex officio) (01/09/2017 - 31/03/2018)</p> <p>Prof CT Chimimba*</p> <p>Dr ST Cornelius</p> <p>Dr L Dziba*</p> <p>Ms T Godongwana</p> <p>Mr S Gounden</p> <p>Mr J Makoro*</p> <p>Ms S Mancotywa</p> <p>Dr JM Matjila</p> <p>Ms NN Mnqeta</p> <p>Ms BD Ngidi</p> <p>Dr Y Seleti</p> <p>Prof B van Wilgen</p> <p>Mr T Zororo*</p> <p>* Independent sub-committee member</p>
Registered office	<p>2 Cussonia Avenue</p> <p>Brummeria</p> <p>Pretoria</p> <p>0002</p>
Postal address	<p>Private Bag X101</p> <p>Pretoria</p> <p>0001</p>
Bankers	<p>Nedbank Limited</p> <p>ABSA Limited</p>



Index

The reports and statements set out below comprise the financial statements presented to the parliament:

Statement of Responsibility of the Board	96
Report by the Accounting Authority	97
Audit and Risk Committee Report	101-102
Report of the Auditor General	103
Statement of Financial Position	109
Statement of Financial Performance	110
Statement of Changes in Net Assets	111
Cash Flow Statement	112
Statement of Comparison of Budget and Actual Amounts	113
Accounting Policies	115
Notes to the Financial Statements	137
The following supplementary information does not form part of the financial statements and is unaudited: Annexure A - Project sponsorships and donations	172



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Statement of Responsibility of the Board

The South African National Biodiversity Institute (SANBI) was established in terms of the National Environmental Management: Biodiversity Act of 2004 (No. 10 of 2004) and is subject to the provisions of the PFMA 1999.

The PFMA requires the Accounting Authority (The Board) to ensure that the SANBI keeps full and proper records of its financial affairs. The financial statements should fairly present the state of affairs of the SANBI, its financial results, its performance against predetermined objectives and its financial position at the end of the year in terms of the effective South African Standards of GRAP, including any interpretations, guidelines and directives issued by the ASB.

The financial statements are the responsibility of the Board. The External Auditors are responsible for independently auditing and reporting on the Financial Statements.

These financial statements are based on appropriate accounting policies, supported by reasonable and prudent judgements and estimates, and have been prepared on the going-concern basis. The Board has reviewed the SANBI's cash flow forecast for the year ending 31 March 2019 and considered the potential long term resourcing risks and challenges in view of the incorporation of the National Zoological Garden into SANBI with effect from 01 April 2018. In light of this review and the current financial position, the Board is satisfied that the SANBI has adequate resources or has access to adequate resources to continue in operational existence in the short-term.

To enable the Board to meet the above-mentioned responsibilities, it sets standards and implements systems of internal control. The controls are designed to provide cost-effective assurance that assets are safeguarded, and that liabilities and working capital are efficiently managed.

Policies, procedures, structures and approval frameworks provide direction, accountability and division of responsibilities, and contain self-monitoring mechanisms. The controls throughout the SANBI focus on the critical risk areas identified by operational risk management and confirmed by Executive Management. Both Management and the Internal Auditors closely monitor the controls and actions taken to correct deficiencies as they are identified.

Based on the information and explanations given by Management and the Internal Auditors and discussions held with the Auditor-General of South Africa on the result of their audits, the Board is of the opinion that the internal accounting controls are adequate to ensure that the financial records may be relied on for preparing the financial statements, and accountability for the assets and liabilities is maintained.

Nothing significant has come to the attention of the Board to indicate that any material breakdown has occurred in the functioning of these controls, procedures and systems during the year under review.

In the opinion of the Board, based on the information available to date, the financial statements fairly present the financial position of SANBI as at 31 March 2018 and the results of its operations and cash flow information for the year, except for the matters referred to in the auditor's report.

The financial statements of SANBI for the year ended 31 March 2018, which have been prepared on the going-concern basis, have been approved by the Board and signed on its behalf by:

Dr. J.M. Matjila (Board Chairperson)

Dr M Rampedi (Chief Executive Officer) (ex officio)
(01/09/2017 - 31/03/2018)

Pretoria

26 September 2018



Report by the Accounting Authority

The Accounting Authority of SANBI hereby presents its report for the year ended 31 March 2018 to the Executive Authority and Parliament of the Republic of South Africa.

SERVICES RENDERED BY SANBI

The narrative section of this Annual Report gives a more in-depth discussion of key performance indicators and overview of programme performance. Key projects delivered during the period under review as well as services offered by the Institute are also discussed in the narrative section of this report.

CORPORATE GOVERNANCE ARRANGEMENTS

Information pertaining to corporate governance is explained in the Corporate Review section of this Annual Report.

PERFORMANCE INFORMATION

In line with the requirements of National Treasury, performance targets are set on an annual basis and performance against these targets is reported to National Treasury through the Department of Environment Affairs on a quarterly basis after approval by the Board. The Department of Environment Affairs assessed the quarterly performance reports and gave SANBI feedback during the year under review.

EXECUTIVE MANAGEMENT'S INTEREST IN CONTRACTS

In the current financial year SANBI did not enter into any material contracts wherein its Executive Management had interest.

PREPARATION AND PRESENTATION OF THE ANNUAL FINANCIAL STATEMENTS

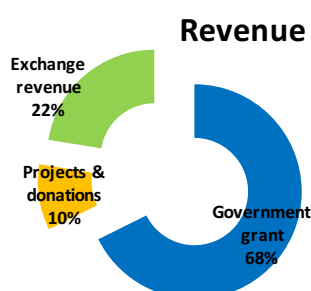
SANBI has adopted the South African Statements of Generally Recognised Accounting Practices (GRAP).

FINANCIAL HIGHLIGHTS

The financial position and performance of the operations and programme activities of SANBI are cited with notes in the financial statements which form an integral part of this annual report. Material facts and circumstances that occurred between the accounting date and date of this report have been accordingly accounted for.

Revenue

Total revenue is cited in the statement of financial performance under two main categories namely non-exchange revenue and exchange revenue. Overall revenue decreased by 2% year-on-year to R545m from R556m. The total decrease of R11m is as a result of a significant decline in the revenue generated from other grants, bequests, sponsorships and donations.

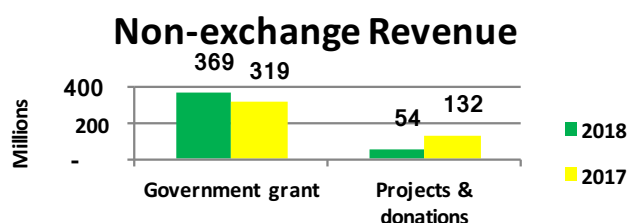




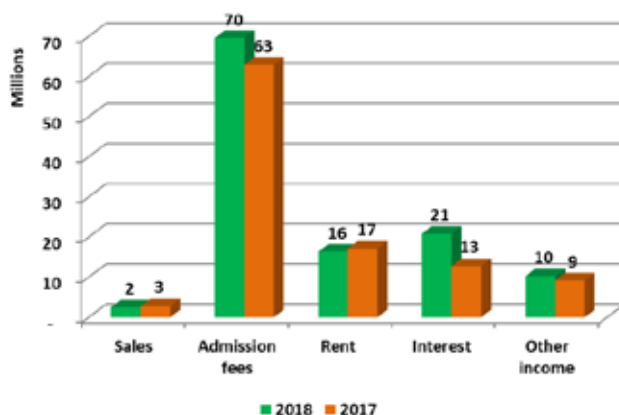
South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Non-exchange revenue comprising of government grants, other grants, sponsorships and donations accounts for 78% of total revenue. This income stream has decline by 6% year on year, a total of R28m. Year-on-year the amount of donations and project sponsorships received was lower than in the previous year. This is expected with the current economic conditions worldwide.



Exchange revenue comprises 22% of total revenue. It consists of the Institute's revenue generation activities. Various initiatives to increase revenue income are implemented by the Institute. The main contributor remains as admission fees through the gates. Overall, there is a year-on-year increase of 17%, from R104m to R122m.



Expenses

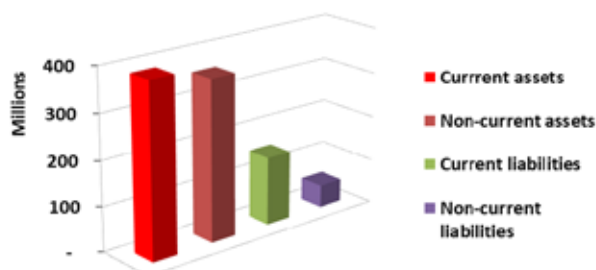
Overall expenditure has increased with 3% from R482m to R496m year-on-year. The growth is acceptable and well contained with a frugal culture adopted throughout the Institute. There is significant increase in irregular expenditure from the previous financial year. The total reported amount of irregular expenditure is R29m resulting mainly from non-compliance with Institutional delegations of authority policy. The investigation process is in progress.

Financial Position

Overall, Institute's financial position is solvent with total assets exceeding total liabilities by an adequate margin and liquid with the cash reserves sufficient to meet the short-term needs as well as obligations arising from project funds received.



Financial Position



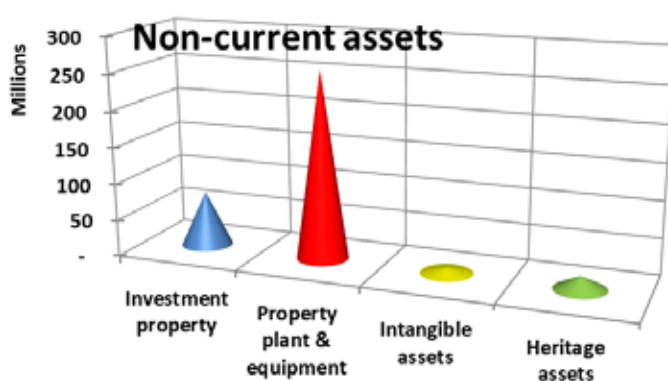
Current Assets

Current assets at R386m exceed current liabilities of R152m by a good margin which reflects a healthy liquidity position of the Institute. The cash and cash equivalents comprising 95% of total current assets, is fully committed in terms of agreements with service providers, project donors and sponsors and thus restricted.

Non-Current Assets

The Non-Current Assets of the Institute are managed and protected by management with due diligence. Appropriate insurance cover is in place and any loss or damage to property is systematically investigated and remedial measures are promptly implemented. The oversight of these measures is under the auspices of the Audit and Risk Committee, and the Governance and Strategy Committee. During the year under review, these assets have grown by 24%.

The following graph depicts the proportion of these assets in the current financial year.



Current Liabilities

The current liabilities have increased significantly with 82% from the previous financial year due to an increase unspent committed project funds. These funds are ring fenced towards projects which have been already been committed.



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Non-Current Liabilities

The financial position of the Institute remains healthy with total assets exceeding total liabilities by a large margin. Non-current liabilities have increased by 4% from the previous financial year due to an increase in the defined benefit liability as a result of the annual actuarial valuation. The Accounting Authority continues to do its utmost best effort to maintain this positive solvency position.

Cash flow

For the year, the Institute received a total of R584m from the government operational grant, sponsors, donations, commercial operations and interest on bank accounts. There is a R22m (4%) growth from the amount received in the previous financial year. From this amount and other cash on hand R426m was paid to suppliers and employees. The net cash inflow resulting from the operational activities is thus R157m. This is a significant improvement of 39% (R44m) from the previous financial year.

A further R85m was paid out to investing activities compared to R35m in the previous financial year. In total the net cash inflow for the financial year is R72,8m compared to R77.2m in the previous financial year. The total cash amount of R367,9m has been fully committed towards project donors and sponsors.

Restatement of previously reported 2017 results

Changes in accounting treatment necessitated for the previously reported results of the previous financial year to be restated as detailed in note 37 of the annual financial statements.

In the previous financial years the infrastructure grant was treated as a conditional grant. It has been determined that the restriction on spending did not give rise to a condition leading to a change in its treatment. Similarly other grants, donations and project sponsorships were previously treated as having a condition on spending were determined that certain amounts had no conditions on spending whilst others were determined to meet the criteria of a service provider and principal agents. The results of these changes is an adjustment in unspent conditional grants. Other errors leading to the restatement of previously reported results are detailed in note 37.

ADDRESS

Registered office: South African National Biodiversity Institute
2 Cussonia Avenue
Brummeria
Pretoria
0002

Private Bag X101
Pretoria
0001

AUDITORS

SANBI as a schedule 3A Public Entity, is audited by the Auditor-General South Africa.



Audit and Risk Committee Report

1. Report of the Audit and Risk Committee

We are pleased to present our report for the financial year ended 31 March 2018.

2. Audit and Risk Committee Members and Attendance

The Audit and Risk Committee consisted of four external members listed hereunder and held meetings for the financial year under review:

Name of Member	Number of Meetings	Meetings Attended
Dr ST Cornelius (Board Member and Chairperson)	5	4
Ms T Godongwana (Board Member)	5	4
Mr T Zororo (Independent Member)	5	4
Mr J Makoro (Independent Member)	5	4
Dr T Abrahamse (CEO and Board Member)* - Retired 31 August 2017	5	3
Dr M Rampedi (CEO and Board Member)* - Appointed 01 September 2017	5	2
Ms L Sithole (Ex Officio : SANBI CFO)*	5	5

- By permanent invitation

3. Audit and Risk Committee responsibility

The Audit and Risk Committee reports that it has complied with its responsibilities arising from section 51(1)(a) of the PFMA and Treasury Regulation 27.1. The Audit and Risk Committee has adopted appropriate formal Terms of Reference as its Audit and Risk Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein.

4. The effectiveness of internal control

The system of internal controls is designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. The Audit and Risk Committee has evaluated all significant and material issues raised in reports issued by the Internal Audit Function, the Audit Report on the Annual Financial Statements, and management letter of the Auditor-General, and is satisfied that they have all been, or are being, appropriately resolved. In line with the PFMA and the King Report on Corporate Governance, the Internal Audit Function and other assurance providers provided the Audit Committee and management with assurance that the internal controls are appropriate and effective for those areas included in the annual operational plan. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. The Audit and Risk Committee has evaluated the work performed by the Internal Audit Function and other assurance service providers. Based upon this evaluation, the Committee reports that the systems of internal controls for the period under review were effective and efficient.

The work performed by the outsourced internal audit was based on an approved risk-based internal audit plan for the year under review. The internal audit function conducted the following reviews during the 2017/2018 financial year:

- Supply Chain Management



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

- Asset Management
- Financial Control Review
- Performance information against objectives
- Biodiversity Collections Management
- Human Resources Management
- Corporate Governance Review
- Information Technology
- Biodiversity Information Management (BIM) Forensic
- Business Operations Program 2
- Business Operations Program 3
- Business Operations NZG

We are satisfied with the evaluation of the internal control environment as communicated to us, and having consideration for the entity's action plans to remedy the weaknesses and irregular expenditure reported during the financial year.

5. Evaluation of Financial Statements

The Audit and Risk Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Institute during the year under review.

The Audit Committee has:

- a. Reviewed and discussed the audited annual financial statements to be included in the annual report with the Office of the Auditor-General and the Accounting Officer;
- b. Reviewed the Auditor-General's management letter and management's response thereto;
- c. Reviewed accounting policies; and
- d. Reviewed significant adjustments resulting from the audit.

The Audit and Risk Committee considered the Auditor-General's conclusions on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

Dr ST Cornelius

(Audit & Risk Committee Chairperson)

26 September 2018



Report of the Auditor General

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified opinion

1. I have audited the financial statements of the South African National Biodiversity Institute set out on pages 117 to 179, which comprise the statement of financial position as at 31 March 2018, and the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget information with actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the possible effects of the matters described in the basis for qualified opinion section of this auditor's report, the financial statements present fairly, in all material respects, the financial position of the South African National Biodiversity Institute as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

Basis for qualified opinion

Operating expenditure

3. The entity did not recognise all items of intangible assets and property plant and equipment in accordance with SA Standards of GRAP, GRAP 31, *Intangible assets* and GRAP 17, *property, plant and equipment*. Acquisitions of intangible assets and property, plant and equipment were incorrectly recognised as operating expenditure. Consequently, operating expenditure is overstated by R13 362 012 and intangible assets and property plant and equipment is understated by R11 116 146 and R2 245 864 respectively. I was unable to determine the impact on the net carrying amount of intangible, property plant and equipment and the related depreciation, amortisation, accumulated amortisation, accumulated depreciation and accumulated surplus as it was impracticable to do so.

Context for the opinion

4. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
5. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

7. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Restatement of corresponding figures

8. As disclosed in note 35 and 37 to the financial statements, the corresponding figures for 31 March 2017 have



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

been restated as a result of reclassification and prior period errors in the financial statements discovered during the 2017-18 financial year of the entity at, and for the year ended 31 March 2018.

Other matter

9. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

10. The supplementary information set out on pages 180 to 181 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of accounting authority for the financial statements

11. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with SA Standards of GRAP and the requirements of the PFMA, and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements, the accounting authority is responsible for assessing the South African National Biodiversity Institute's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting authority either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

13. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

Introduction and scope

15. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
16. My procedures address the reported performance information, which must be based on the approved performance planning documents of the public entity. I have not evaluated the completeness and appropriateness of the performance indicators/measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.



17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the annual performance report of the public entity for the year ended 31 March 2018:

Programmes	Pages in the annual performance report
Programme 2 – manage and unlock benefits of the network of national botanical gardens as windows into South Africa’s biodiversity	67 - 68
Programme 6 – provide human capital development, biodiversity education and awareness in response to SANBI’s mandate	72 - 73

18. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

19. The material findings in respect of the reliability of the selected programmes are as follows:

Programme 2 – manage and unlock benefits of the network of national botanical gardens as windows into South Africa’s biodiversity

Indicator 2.2 - Percentage visitor numbers increased through expanded tourism related activities and events in National Botanical Gardens

20. The achievement against the target of 5% reported in the annual performance report was 3%. However, the supporting evidence provided did not agree to the reported achievement as the reported visitor’s numbers of 2 156 894 were overstated by 609 972 visitors which is a material misstatement rate of 28%.
21. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following programme:
- Programme 6 – provide human capital development, biodiversity education and awareness in response to SANBI’s mandate

Other matters

22. I draw attention to the matters below.

Achievement of planned targets

23. Refer to the annual performance report on pages 67 to 68 and 72 to 73 for information on the achievement of planned targets for the year and explanations provided for the under/ over achievement of a number of targets. This information should be considered in the context of the material findings on the reliability of the reported performance information in paragraph 20 of this report.

Adjustment of material misstatements

24. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of Programme 2 – manage and unlock benefits of the network of national botanical gardens as windows into South Africa’s biodiversity and Programme 6 – provide human capital development, biodiversity education and awareness in response to



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

SANBI's mandate. As management subsequently corrected some of the misstatements, I raised a material finding on the reliability of the reported performance information. Those that were not corrected are reported above.

REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

Introduction and scope

25. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the public entity with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
26. The material findings on compliance with specific matters in key legislations are as follows:

Annual financial statements, performance and annual report

27. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by section 55(1) (a) and (b) of the PFMA.
28. Material misstatements of non-current assets, current assets, liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were corrected and the supporting records were provided subsequently, but the uncorrected material misstatements that could not be provided resulted in the financial statements receiving a qualified opinion.

Procurement and contract management

29. For 12% of contracts selected for testing, sufficient appropriate audit evidence could not be obtained for the losing bidders that contracts were awarded to suppliers based on preference points that were allocated and calculated in accordance with the requirements of the Preferential Procurement Policy Framework Act and its regulations.
30. Some of the bid documentation for procurement of commodities designated for local content and production, did not meet the stipulated minimum threshold for local production and content as required by the 2017 preferential procurement regulation 8(2).

OTHER INFORMATION

31. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report
32. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
33. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
34. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact



35. I have nothing to report in this regard.

INTERNAL CONTROL DEFICIENCIES

36. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

Financial and performance management

37. Management did not implement adequate processes to ensure that a credible set of financial statements and annual performance report 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 annual performance report, as well as underlying records. Adequate compliance monitoring processes was also not implemented resulting in material non-compliance being reported for the area of supply chain management.

Auditor-General

Cape Town

28 September 2018



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected programmes and on the public entity's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting authority
 - conclude on the appropriateness of the accounting authority's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the South African National Biodiversity Institute's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease continuing as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting authority that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.



Statement of Financial Position as at 31 March 2018

Figures in Rand	Note(s)	2018	2017 Restated*
Assets			
Current Assets			
Cash and cash equivalents	3	367 863 325	295 055 155
Receivables from exchange transactions	4	7 633 553	3 877 633
Biological assets	5	1 891 882	790 055
Inventories	6	6 100 869	4 587 384
Operating lease asset		865 881	751 487
Receivables from non-exchange transactions	7	2 194 084	14 520 713
Employee benefit asset	15	-	16 144 020
		386 549 594	335 726 447
Non-Current Assets			
Property, plant and equipment	8	257 298 628	193 915 197
Investment property	9	75 058 247	72 985 367
Heritage assets	10	17 682 262	17 682 262
Intangible assets	11	7 882 745	4 343 961
		357 921 882	288 926 787
Total Assets		744 471 476	624 653 234
Liabilities			
Current Liabilities			
Unspent conditional grants and receipts	12	65 456 255	21 999 272
Payables from exchange transactions	13	59 010 007	45 300 500
Provisions	14	6 150 771	3 688 101
Transfers payable (non-exchange)	38	21 404 158	12 485 070
		152 021 191	83 472 943
Non-Current Liabilities			
Employee benefit obligation	15	45 627 000	44 569 000
Provisions	14	4 547 790	3 481 732
		50 174 790	48 050 732
Total Liabilities		202 195 981	131 523 675
Net Assets		542 275 495	493 129 559
Accumulated surplus		542 275 495	493 129 559

* See Note 37



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Statement of Financial Performance

Figures in Rand	Note(s)	2018	2017 Restated*
Revenue			
Revenue from exchange transactions			
Admission fees		69 614 434	62 921 260
Rent received		16 380 498	17 137 960
Interest received		20 845 944	12 779 819
Other income	16	10 282 258	9 190 652
Sales		2 493 099	2 733 899
Fair value gain less cost to sell on biological assets		2 533 359	207 848
Gain on disposal of assets		264 716	-
Total revenue from exchange transactions		122 414 308	104 971 438
Revenue from non-exchange transactions			
Transfer revenue			
Government operational grant	17	369 228 000	319 331 000
Other grants, bequests, sponsorships and donations	18	54 059 294	131 959 015
Total revenue from non-exchange transactions		423 287 294	451 290 015
Total revenue		545 701 602	556 261 453
Expenditure			
Employee related costs	19	(290 609 679)	(263 338 411)
Operating Expenses	20	(180 054 301)	(185 530 096)
Depreciation and amortisation		(24 948 238)	(27 535 812)
Lease rentals on operating lease		(805 720)	(718 375)
Loss on disposal of assets		-	(5 487 144)
Debt Impairment	21	(90 807)	(66 011)
Impairment loss		(46 642)	-
Loss on foreign exchange		(290)	-
Total expenditure		(496 555 677)	(482 675 849)
Surplus for the year		49 145 925	73 585 604

* See Note 37



Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	297 001 402	297 001 402
Adjustments		
Prior year adjustments	122 542 553	122 542 553
Balance at 01 April 2016 as restated*	419 543 955	419 543 955
Changes in net assets		
Surplus for the year	73 585 604	73 585 604
Total changes	73 585 604	73 585 604
Restated* Balance at 01 April 2017	493 129 570	493 129 570
Changes in net assets		
Surplus for the year	49 145 925	49 145 925
Total changes	49 145 925	49 145 925
Balance at 31 March 2018	542 275 495	542 275 495

* See Note 37



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Cash Flow Statement

Figures in Rand	Note(s)	2018	2017 Restated*
Cash flows from operating activities			
Receipts			
Government grants		369 228 000	319 331 000
Other grants, bequests, sponsorships and donations		104 656 892	142 017 865
Commercial and other income		110 133 513	100 117 458
		<u>584 018 405</u>	<u>561 466 323</u>
Payments			
Employee costs		(268 324 496)	(255 944 217)
Suppliers and other payments		(158 354 334)	(192 414 855)
		<u>(426 678 830)</u>	<u>(448 359 072)</u>
Net cash flows from operating activities	24	157 339 575	113 107 251
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(77 114 886)	(32 126 012)
Proceeds from sale of property, plant and equipment	8	528 491	242 004
Purchase of investment property	9	(359 559)	(115 000)
Purchase of other intangible assets	11	(7 585 451)	(3 883 525)
Net cash flows from investing activities		(84 531 405)	(35 882 533)
Net increase/(decrease) in cash and cash equivalents		72 808 170	77 224 718
Cash and cash equivalents at the beginning of the year		295 055 155	217 830 437
Cash and cash equivalents at the end of the year	3	367 863 325	295 055 155

* See Note 37



Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis						
Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference

Statement of Financial Performance

Revenue

Revenue from exchange transactions

Sales	-	2 500 000	2 500 000	2 493 099	(6 901)
Admission fees	61 765 293	5 715 638	67 480 931	69 614 434	2 133 503
Rent received	15 918 724	-	15 918 724	11 827 120	(4 091 604)
Interest received	8 742 577	10 000 000	18 742 577	20 845 944	2 103 367
Other income	-	7 500 000	7 500 000	4 824 425	(2 675 575)
Proceeds on disposal of assets	-	-	-	528 491	528 491
Total revenue from exchange transactions	86 426 594	25 715 638	112 142 232	110 133 513	(2 008 719)

Revenue from non- exchange transactions

Government grants	368 328 000	-	368 328 000	369 228 000	900 000
Other grants, bequests, sponsorships and donations	93 682 500	-	93 682 500	104 656 892	10 974 392
Total revenue from non- exchange transactions	462 010 500	-	462 010 500	473 884 892	11 874 392
Total revenue	548 437 094	25 715 638	574 152 732	584 018 405	9 865 673

Expenditure

Employee related costs	(296 204 298)	-	(296 204 298)	(268 324 496)	27 879 802
Lease rentals on operating lease	-	-	-	(805 720)	(805 720)
Operating expenses	(252 232 796)	(25 715 638)	(277 948 434)	(242 608 510)	35 339 924
Total expenditure	(548 437 094)	(25 715 638)	(574 152 732)	(511 738 726)	62 414 006
Surplus before taxation	-	-	-	72 279 679	72 279 679
Actual amount on comparable basis as presented in the budget and actual comparative statement	-	-	-	72 279 679	72 279 679



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis						
Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Reconciliation						
Basis difference						
Depreciation and amorisation				(24 948 238)		
Loss on sale of assets				264 716		
Non cash items				(10 458 137)		
Timing difference						
Capital expenditure				85 059 896		
Unspent project committed funds				(43 456 983)		
Adjustments for accrual basis accounting entries				(29 595 008)		
Actual amount in the statement of financial performance				49 145 925		

Reasons for material variances between budget and actuals amounts are detailed in Note 27..



Accounting Policies

1. Presentation of Financial Statements

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.1 Presentation currency

These financial statements are presented in South African Rand, which is the functional currency of the entity.

1.2 Going concern assumption

These financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.3 Significant judgements and sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgements include:

Trade receivables

The entity assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the surplus makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 14 - Provisions.

Post retirement benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

The cost of defined benefit pension plans and other post employment medical benefits as well as the present value of the pension obligation is determined using actuarial valuations. The actuarial valuation involves making



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

assumptions about discount rates, expected rates of return of assets, future salary increases, mortality rates and future pension increases. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate management considers the interest rates of corporate bonds in the respective country with an AAA or AA rating. The mortality rate is based on publicly available mortality tables for the specific country.

Future salary increases and pension increases are based on expected future inflation rates for the specific country.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 15.

Effective interest rate

The entity used the prime interest rate to discount future cash flows.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

1.4 Biological assets that form part of an agricultural activity

The entity recognises biological assets that form part of an agricultural activity or agricultural produce when, and only when:

- the entity controls the asset as a result of past events;
- it is probable that future economic benefits or service potential associated with the asset will flow to the entity; and
- the fair value or cost of the asset can be measured reliably.

Biological assets that form part of an agricultural activity are measured at their fair value less costs to sell.

A gain or loss arising on initial recognition of biological assets that form part of an agricultural activity or agricultural produce at fair value less costs to sell and from a change in fair value less costs to sell of biological asset that form part of an agricultural activity is included in surplus or deficit for the period in which it arises.

Where market determined prices or values are not available, the present value of the expected net cash inflows from the asset, discounted at a current market-determined pre-tax rate where applicable is used to determine fair value.

1.5 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services, or
- administrative purposes, or
- sale in the ordinary course of operations.



Accounting Policies

1.5 Investment property (continued)

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the entity, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Cost model

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value by equal installments over the useful life of the property, which is as follows:

Item	Useful life
Property - buildings	40 - 50 years

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

The entity separately discloses expenditure to repair and maintain investment property in the notes to the financial statements (see note 22).

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 8).

1.6 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Accounting Policies

1.6 Property, plant and equipment (continued)

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Buildings	Straight line	40 - 50 years
Plant and machinery	Straight line	5 - 10 years
Furniture and fixtures	Straight line	5 - 10 years
Motor vehicles	Straight line	5 - 10 years
Office equipment	Straight line	5 - 10 years
IT equipment	Straight line	3 - 8 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the entity. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The entity assesses at each reporting date whether there is any indication that the entity expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.



Accounting Policies

1.6 Property, plant and equipment (continued)

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets which the entity holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 22).

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 8).

1.7 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Internally generated goodwill is not recognised as an intangible asset.



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Accounting Policies

1.7 Intangible assets (continued)

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software	Straight line	3 - 8 years

1.8 Heritage assets

Assets are resources controlled by an entity as a result of past events and from which future economic benefits or service potential are expected to flow to the entity.

Carrying amount is the amount at which an asset is recognised after deducting accumulated impairment losses.

Class of heritage assets means a grouping of heritage assets of a similar nature or function in an entity's operations that is shown as a single item for the purpose of disclosure in the financial statements.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

Recognition

The entity recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the entity, and the cost or fair value of the asset can be measured reliably.

Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

Impairment

The entity assess at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the entity estimates the recoverable amount or the recoverable service amount of the heritage asset.

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

Derecognition

The entity derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.



Accounting Policies

1.8 Heritage assets (continued)

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Accounting Policies

1.9 Financial instruments (continued)

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities.

A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at amortised cost.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Reclassification

The entity does not reclassify a financial instrument while it is issued or held unless it is:

- combined instrument that is required to be measured at fair value; or
- an investment in a residual interest that meets the requirements for reclassification.

If a reliable measure becomes available for an investment in a residual interest for which a measure was previously not available, and the instrument would have been required to be measured at fair value, the entity reclassifies the instrument from cost to fair value.



Accounting Policies

1.9 Financial instruments (continued)

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired, or through the amortisation process.

Derecognition

Financial assets

The entity derecognises a financial asset only when:

- the contractual rights to the cash flows from the financial asset expire, are settled or waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity :
 - derecognise the asset; and
 - recognise separately any rights and obligations created or retained in the transfer.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the entity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

1.10 Taxation

Tax expenses

No provision has been made for taxation as SANBI is exempt from income tax in terms of Section 10 of the Income Tax Act, 1962 (Act no. 58 of 1962).



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Accounting Policies

1.11 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a monthly basis as the higher of the minimum contractually agreed amount or as a percentage of the lessee's turnover.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.12 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for:

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the entity incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.



Accounting Policies

1.13 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use. Useful life is either:

- the period of time over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the entity estimates the recoverable amount of the asset.

Value in use

When estimating the value in use of an asset, the entity estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the entity applies the appropriate discount rate to those future cash flows.

Basis for estimates of future cash flows

In measuring value in use the entity:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Accounting Policies

1.13 Impairment of cash-generating assets (continued)

Cash-generating units

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

Reversal of impairment loss

The entity assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.14 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).



Accounting Policies

1.14 Impairment of non-cash-generating assets (continued)

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the entity estimates the recoverable service amount of the asset.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the entity would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Accounting Policies

1.14 Impairment of non-cash-generating assets (continued)

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Reversal of an impairment loss

The entity assess at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable service amount of that asset.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

Redesignation

The redesignation of assets from a cash-generating asset to a non-cash-generating asset or from a non-cash-generating asset to a cash-generating asset only occur when there is clear evidence that such a redesignation is appropriate.

1.15 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:



Accounting Policies

1.15 Employee benefits (continued)

- wages, salaries and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognise the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognise the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Accounting Policies

1.15 Employee benefits (continued)

- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions. In measuring its defined benefit liability the entity recognise actuarial gains and losses in surplus or deficit in the reporting period in which they occur.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - those changes were enacted before the reporting date; or
 - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

1.16 Provisions and contingencies

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.



Accounting Policies

1.16 Provisions and contingencies (continued)

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are not recognised for future operating surplus (deficit).

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 26.

1.17 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Measurement

Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Accounting Policies

1.17 Revenue from exchange transactions (continued)

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and
- the amount of the revenue can be measured reliably.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Dividends or similar distributions are recognised, in surplus or deficit, when the entity's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.18 Revenue from non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

Gifts, bequests and donations, including goods and services in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the entity and the fair value of the assets can be measured reliably.



Accounting Policies

1.19 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all surplus (deficit) of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.20 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.21 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At each reporting date:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in surplus or deficit in the period in which they arise.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

1.22 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.23 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Accounting Policies

1.23 Irregular expenditure (continued)

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or
- (c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

Irregular expenditure that was incurred and identified during the current financial year and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/ expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

1.24 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.



Accounting Policies

1.24 Segment information (continued)

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

1.25 Budget information

Entity are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 01-04-2017 to 31-03-2018.

The budget for the economic entity includes all the entities approved budgets under its control.

The financial statements and the budget are not on the same basis of accounting therefore a reconciliation between the statement of financial performance and the budget have been included in the financial statements. Refer to note 27.

Comparative information is not required.

1.26 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Accounting Policies

1.26 Related parties (continued)

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the entity is exempt from the disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its financial statements.

1.27 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.



Notes to the Financial Statements

2. New standards and interpretations

2.1 Standards and Interpretations early adopted

The entity has chosen to early adopt the following standards and interpretations:

GRAP 20: Related parties

The objective of this standard is to ensure that a reporting entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and surplus or deficit may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

An entity that prepares and presents financial statements under the accrual basis of accounting (in this standard referred to as the reporting entity) shall apply this standard in:

- identifying related party relationships and transactions;
- identifying outstanding balances, including commitments, between an entity and its related parties;
- identifying the circumstances in which disclosure of the items in (a) and (b) is required; and
- determining the disclosures to be made about those items.

This standard requires disclosure of related party relationships, transactions and outstanding balances, including commitments, in the consolidated and separate financial statements of the reporting entity in accordance with the Standard of GRAP on Consolidated and Separate Financial Statements. This standard also applies to individual financial statements.

Disclosure of related party transactions, outstanding balances, including commitments, and relationships with related parties may affect users' assessments of the financial position and performance of the reporting entity and its ability to deliver agreed services, including assessments of the risks and opportunities facing the entity. This disclosure also ensures that the reporting entity is transparent about its dealings with related parties.

The standard states that a related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. As a minimum, the following are regarded as related parties of the reporting entity:

- A person or a close member of that person's family is related to the reporting entity if that person:
 - has control or joint control over the reporting entity;
 - has significant influence over the reporting entity;
 - is a member of the management of the entity or its controlling entity.
- An entity is related to the reporting entity if any of the following conditions apply:
 - the entity is a member of the same economic entity (which means that each controlling entity, controlled entity and fellow controlled entity is related to the others);
 - one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an economic entity of which the other entity is a member);
 - both entities are joint ventures of the same third party;



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

2. New standards and interpretations (continued)

- one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- the entity is a post-employment benefit plan for the benefit of employees of either the entity or an entity related to the entity. If the reporting entity is itself such a plan, the sponsoring employers are related to the entity;
- the entity is controlled or jointly controlled by a person identified in (a); and
- a person identified in (a)(i) has significant influence over that entity or is a member of the management of that entity (or its controlling entity).

The standard furthermore states that related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

The standard elaborates on the definitions and identification of:

- close member of the family of a person;
- management;
- related parties;
- remuneration; and
- significant influence

The standard sets out the requirements, inter alia, for the disclosure of:

- control;
- related party transactions; and
- remuneration of management

The effective date of the standard is not yet set by the Minister of Finance.

The entity expects to adopt the standard for the first time when the Minister sets the effective date for the standard. The impact of the standard is not material.

2.2 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2018 or later periods:

GRAP 34: Separate Financial Statements

The objective of this Standard is to prescribe the accounting and disclosure requirements for investments in controlled entities, joint ventures and associates when an entity prepares separate financial statements.

It furthermore covers Definitions, Preparation of separate financial statements, Disclosure, Transitional provisions and Effective date.

The effective date of the standard is not yet set by the Minister of Finance.



Notes to the Financial Statements

2. New standards and interpretations (continued)

The entity expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

It is unlikely that the standard will have a material impact on the entity's financial statements.

GRAP 35: Consolidated Financial Statements

The objective of this Standard is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.

To meet this objective, the Standard:

- requires an entity (the controlling entity) that controls one or more other entities (controlled entities) to present consolidated financial statements;
- defines the principle of control, and establishes control as the basis for consolidation;
- sets out how to apply the principle of control to identify whether an entity controls another entity and therefore must consolidate that entity;
- sets out the accounting requirements for the preparation of consolidated financial statements; and
- defines an investment entity and sets out an exception to consolidating particular controlled entities of an investment entity.

It furthermore covers Definitions, Control, Accounting requirements, Investment entities: Fair value requirement, Transitional provisions and Effective date.

The effective date of the standard is not yet set by the Minister of Finance.

The entity expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

It is unlikely that the standard will have a material impact on the entity's financial statements.

GRAP 36: Investments in Associates and Joint Ventures

The objective of this Standard is to prescribe the accounting for investments in associates and joint ventures and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

It furthermore covers Definitions, Significant influence, Equity method, Application of the equity method, Separate financial statements, Transitional provisions and Effective date.

The effective date of the standard is not yet set by the Minister of Finance.

The entity expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

It is unlikely that the standard will have a material impact on the entity's financial statements.

GRAP 37: Joint Arrangements

The objective of this Standard is to establish principles for financial reporting by entities that have an interest in arrangements that are controlled jointly (i.e. joint arrangements).

To meet this objective, the Standard defines joint control and requires an entity that is a party to a joint arrangement to determine the type of joint arrangement in which it is involved by assessing its rights and obligations and to account for those rights and obligations in accordance with that type of joint arrangement.



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

2. New standards and interpretations (continued)

It furthermore covers Definitions, Joint arrangements, Financial statements and parties to a joint arrangement, Separate financial statements, Transitional provisions and Effective date.

The effective date of the standard is not yet set by the Minister of Finance.

The entity expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

It is unlikely that the standard will have a material impact on the entity's financial statements.

GRAP 38: Disclosure of Interests in Other Entities

The objective of this Standard is to require an entity to disclose information that enables users of its financial statements to evaluate:

- the nature of, and risks associated with, its interests in controlled entities, unconsolidated controlled entities, joint arrangements and associates, and structured entities that are not consolidated; and
- the effects of those interests on its financial position, financial performance and cash flows.

It furthermore covers Definitions, Disclosing information about interests in other entities, Significant judgements and assumptions, Investment entity status, Interests in controlled entities, Interests in joint arrangements and associates, Interests in structured entities that are not consolidated, Non-qualitative ownership interests, Controlling interests acquired with the intention of disposal, Transitional provisions and Effective date.

The effective date of the standard is not yet set by the Minister of Finance.

The entity expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

It is unlikely that the standard will have a material impact on the entity's financial statements.

GRAP 110 (as amended 2016): Living and Non-living Resources

Amendments to the Standard of GRAP on Living and Non-living Resources resulted from editorial changes to the original text and inconsistencies in measurement requirements in GRAP 23 and other asset-related Standards of GRAP in relation to the treatment of transaction costs. Other changes resulted from changes made to IPSAS 17 on Property, Plant and Equipment (IPSAS 17) as a result of the IPSASB's Improvements to IPSASs 2014 issued in January 2015 and Improvements to IPSASs 2015 issued in March 2016.

The most significant changes to the Standard are:

- General improvements: To clarify the treatment of transaction costs and other costs incurred on assets acquired in non-exchange transactions to be in line with the principle in GRAP 23; and To clarify the measurement principle when assets may be acquired in exchange for a non-monetary asset or assets, or a combination of monetary and non-monetary assets
- IPSASB amendments: To clarify the revaluation methodology of the carrying amount and accumulated depreciation when a living resource is revalued; To clarify acceptable methods of depreciating assets; and To define a bearer plant and include bearer plants within the scope of GRAP 17 or GRAP 110, while the produce growing on bearer plants will remain within the scope of GRAP 27

The effective date of the amendment is for years beginning on or after 01 April 2020.



Notes to the Financial Statements

2. New standards and interpretations (continued)

The entity expects to adopt the amendment for the first time in the 2021 financial statements.

The adoption of this amendment is not expected to impact on the results of the entity, but may result in more disclosure than is currently provided in the financial statements.

GRAP 32: Service Concession Arrangements: Grantor

The objective of this Standard is: to prescribe the accounting for service concession arrangements by the grantor, a public sector entity.

It furthermore covers: Definitions, recognition and measurement of a service concession asset, recognition and measurement of liabilities, other liabilities, contingent liabilities, and contingent assets, other revenues, presentation and disclosure, transitional provisions, as well as the effective date.

The effective date of the standard is not yet set by the Minister of Finance.

The entity expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

It is unlikely that the standard will have a material impact on the entity's financial statements.

GRAP 108: Statutory Receivables

The objective of this Standard is: to prescribe accounting requirements for the recognition, measurement, presentation and disclosure of statutory receivables.

It furthermore covers: Definitions, recognition, derecognition, measurement, presentation and disclosure, transitional provisions, as well as the effective date.

The effective date of the standard is not yet set by the Minister of Finance.

The entity expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

It is unlikely that the standard will have a material impact on the entity's financial statements.

GRAP 109: Accounting by Principals and Agents

The objective of this Standard is to outline principles to be used by an entity to assess whether it is party to a principal- agent arrangement, and whether it is a principal or an agent in undertaking transactions in terms of such an arrangement. The Standard does not introduce new recognition or measurement requirements for revenue, expenses, assets and/or liabilities that result from principal-agent arrangements. The Standard does however provide guidance on whether revenue, expenses, assets and/or liabilities should be recognised by an agent or a principal, as well as prescribe what information should be disclosed when an entity is a principal or an agent.

It furthermore covers Definitions, Identifying whether an entity is a principal or agent, Accounting by a principal or agent, Presentation, Disclosure, Transitional provisions and Effective date.

The effective date of the standard is not yet set by the Minister of Finance.

The entity expects to adopt the standard for the first time when the Minister sets the effective date for the standard.

The impact of this standard is currently being assessed.



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

2. New standards and interpretations (continued)

GRAP 17: Service Concession Arrangements where a Grantor Controls a Significant Residual Interest in an Asset

This Interpretation of the Standards of GRAP provides guidance to the grantor where it has entered into a service concession arrangement, but only controls, through ownership, beneficial entitlement or otherwise, a significant residual interest in a service concession asset at the end of the arrangement, where the arrangement does not constitute a lease. This Interpretation of the Standards of GRAP shall not be applied by analogy to other types of transactions or arrangements.

A service concession arrangement is a contractual arrangement between a grantor and an operator in which the operator uses the service concession asset to provide a mandated function on behalf of the grantor for a specified period of time. The operator is compensated for its services over the period of the service concession arrangement, either through payments, or through receiving a right to earn revenue from third party users of the service concession asset, or the operator is given access to another revenue-generating asset of the grantor for its use.

Before the grantor can recognise a service concession asset in accordance with the Standard of GRAP on Service Concession Arrangements: Grantor, both the criteria as noted in paragraph .01 of this Interpretation of the Standards of GRAP need to be met. In some service concession arrangements, the grantor only controls the residual interest in the service concession asset at the end of the arrangement, and can therefore not recognise the service concession asset in terms of the Standard of GRAP on Service Concession Arrangements: Grantor.

A consensus is reached, in this Interpretation of the Standards of GRAP, on the recognition of the performance obligation and the right to receive a significant interest in a service concession asset.

The effective date of the interpretation is not yet set by the Minister of Finance.

The entity expects to adopt the interpretation for the first time when the Minister sets the effective date for the interpretation.

It is unlikely that the interpretation will have a material impact on the entity's financial statements.

iGRAP 19: Liabilities to Pay Levies

This Interpretation of the Standards of GRAP provides guidance on the accounting for levies in the financial statements of the entity that is paying the levy. It clarifies when entities need to recognise a liability to pay a levy that is accounted for in accordance with GRAP 19.

To clarify the accounting for a liability to pay a levy, this Interpretation of the Standards of GRAP addresses the following issues:

- what is the obligating event that gives rise to the recognition of a liability to pay a levy?
- does economic compulsion to continue to operate in a future period create a constructive obligation to pay a levy that will be triggered by operating in that future period?
- does the going concern assumption imply that an entity has a present obligation to pay a levy that will be triggered by operating in a future period?
- does the recognition of a liability to pay a levy arise at a point in time or does it, in some circumstances, arise progressively over time?



Notes to the Financial Statements

2. New standards and interpretations (continued)

- what is the obligating event that gives rise to the recognition of a liability to pay a levy that is triggered if a minimum threshold is reached?

Consensus reached in this interpretation:

- the obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation;
- an entity does not have a constructive obligation to pay a levy that will be triggered by operating in a future period as a result of the entity being economically compelled to continue to operate in that future period;
- the preparation of financial statements under the going concern assumption does not imply that an entity has a present obligation to pay a levy that will be triggered by operating in a future period;
- the liability to pay a levy is recognised progressively if the obligating event occurs over a period of time;
- if an obligation to pay a levy is triggered when a minimum threshold is reached, the accounting for the liability that arises from that obligation shall be consistent with the principles established in this Interpretation of the Standards of GRAP; and
- an entity shall recognise an asset, in accordance with the relevant Standard of GRAP, if it has prepaid a levy but does not yet have a present obligation to pay that levy.

The effective date of the interpretation is not yet set by the Minister of Finance.

The entity expects to adopt the interpretation for the first time when the Minister sets the effective date for the interpretation.

It is unlikely that the interpretation will have a material impact on the entity's financial statements.



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
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3. Cash and cash equivalents

Cash and cash equivalents consist of:

Short-term deposits	353 422 839	262 981 288
Bank balances	13 422 977	30 768 737
Cash on hand	1 017 509	1 305 130
	367 863 325	295 055 155

Cash on current accounts at banks earn interest. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of SANBI and earn interest at the respective short-term deposit rates.

The use of certain of the funds is restricted as disclosed in note 18.

Credit quality of cash at bank and short term deposits, excluding cash on hand

The credit quality of cash at bank and short term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Credit rating

Nedbank Limited Standards and Poors B	353 422 839	262 981 288
Nedbank Limited Standards and Poors B	13 422 977	30 768 737
	366 845 816	293 750 025

4. Receivables from exchange transactions

Trade debtors (net of provisions for doubtful debts)	4 057 777	2 427 664
Accrued income	3 377 438	1 194 703
Sundry receivables	82 058	255 266
Prepaid expenses	116 280	-
	7 633 553	3 877 633

Trade receivables consist mainly of rental income from restaurants. Trade receivables are non-interest bearing and based on 30 days from invoice.

Fair value of trade and other receivables

Trade and other receivables	7 633 553	3 877 633
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Amounts neither past due nor impaired are considered fully recoverable. No credit quality issues are noted.

Trade and other receivables past due but not impaired

Trade and other receivables which are less than 3 months past due are not considered to be impaired. At 31 March 2018 R999 309 (2017: R 413 366) were past due but not impaired.

The ageing of amounts past due but not impaired is as follows:

3 months past due	999 309	413 366
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Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
4. Receivables from exchange transactions (continued)		
Trade and other receivables impaired		
As of 31 March 2018, trade and other receivables of R 367 549 (2017: R 276 742) were impaired and provided for. The amount of the provision was R (367 549) as of 31 March 2018 (2017: R (276 742)).		
The ageing of this impairment is as follows:		
3 to 6 months	-	5 339
Over 6 months	367 549	271 403
Reconciliation of provision for impairment of trade and other receivables		
Opening balance	276 742	210 731
Provision for impairment (Note 22)	90 807	66 011
	367 549	276 742

5. Biological assets

Plants for resale	1 891 882	790 055
Carrying value of inventories carried at fair value less costs to sell	1 891 882	790 055
Inventories recognised as an expense during the year	1 431 532	1 007 739

These biological assets consist of plants for sale in SANBI's nurseries are therefore consumable inventories. The fair value of these plants was determined using an estimated selling price based on marked prices at SANBI nurseries. Given that no additional staff is employed for selling the plants and very little time is actually spent by existing staff on selling plants, costs to sell are considered negligible, and are therefore not taken into consideration in determining the valuation of the plants. As these plants represent excess stock of plants actually grown for use in the gardens, the period between when the plants meet the definition of biological assets and actual sale is too short to result in changes in value either of a physical or market-related nature.

6. Inventories

Books	4 796 679	4 587 384
Chemicals	45 120	-
Consumable stores	260 219	-
Fuel (diesel, petrol and oil)	59 243	-
Marketing materials	100 128	-
Small tools and consumables	703 854	-
Stationery	135 626	-
	6 100 869	4 587 384

In the prior year inventories values in the consumable stores, fuel, chemicals and stationery categories was considered negligible and expensed during the period.



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
7. Receivables from non-exchange transactions		
Project funds	1 160 586	10 310 815
Other receivables from non-exchange revenue	1 033 498	4 209 898
	2 194 084	14 520 713

8. Property, plant and equipment

	2018			2017		
	Cost / Valuation	Accumulat- ed depre- ciation and accumulat- ed impair- ment	Carrying value	Cost / Valuation	Accumulat- ed depre- ciation and accumulat- ed impair- ment	Carrying value
Buildings	193 946 394	(45 298 802)	148 647 592	176 767 137	(40 833 068)	135 934 069
Motor vehicles	39 930 943	(23 754 159)	16 176 784	39 045 551	(19 505 736)	19 539 815
Operational equipment	50 225 761	(22 191 667)	28 034 094	41 615 664	(13 794 712)	27 820 952
Construction work in progress	64 440 158	-	64 440 158	10 620 361	-	10 620 361
Total	348 543 256	(91 244 628)	257 298 628	268 048 713	(74 133 516)	193 915 197

Reconciliation of property, plant and equipment - 2018

	Opening balance	Additions	Disposals	Transfers	Deprecia- tion	Impairment loss	Total
Buildings	135 934 069	17 240 268	(36 955)	-	(4 489 790)	-	148 647 592
Motor vehicles	19 539 815	1 694 925	(161 011)	-	(4 896 945)	-	16 176 784
Operational equipment	27 820 952	9 421 717	(61 210)	-	(9 100 723)	(46 642)	28 034 094
Construction work in progress	10 620 361	57 957 976	-	(4 138 179)	-	-	64 440 158
	193 915 197	86 314 886	(259 176)	(4 138 179)	(18 487 458)	(46 642)	257 298 628

Reconciliation of property, plant and equipment - 2017

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Buildings	132 010 195	8 177 883	-	(4 254 009)	-	135 934 069
Motor vehicles	19 522 199	4 799 911	(56 197)	(4 726 098)	-	19 539 815
Operational equipment	32 698 639	14 563 256	-	(13 767 992)	(5 672 951)	27 820 952
Construction work in progress	6 035 399	4 584 962	-	-	-	10 620 361
	190 266 432	32 126 012	(56 197)	(22 748 099)	(5 672 951)	193 915 197

Property, plant and equipment in the process of being constructed or developed

Cumulative expenditure recognised in the carrying value of property, plant and equipment

Buildings	64 440 158	10 620 361
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Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
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8. Property, plant and equipment (continued)

There is no property, plant and equipment that is taking a significantly longer period of time to complete than expected.

There is no property, plant and equipment where construction or development has been halted either during the current or previous reporting period(s)

In accordance with the mandate as envisaged in the National Environmental Management Biodiversity Act (NEMBA), SANBI is responsible for managing, controlling and maintaining all National Botanical Gardens. The majority of the land that is currently utilised as National Botanical Gardens in the Republic belongs to the different tiers of government, and the control of the land is vested in SANBI in accordance with its mandate. There are no restrictions, as no title / property, plant and equipment is pledged as security for any liabilities.

A register containing the details of Property, plant and equipment is available for inspection at the registered office of the entity.

9. Investment property

	2018			2017		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	101 248 584	(26 190 337)	75 058 247	96 750 845	(23 765 478)	72 985 367

Reconciliation of investment property - 2018

	Opening balance	Additions	Transfers	Depreciation	Total
Investment property	72 985 367	359 559	4 138 179	(2 424 858)	75 058 247

Reconciliation of investment property - 2017

	Opening balance	Additions	Depreciation	Total
Investment property	75 286 262	115 000	(2 415 895)	72 985 367

A register containing the details of investment property is available for inspection at the registered office of the entity. There are no restrictions, as no title / investment property is pledged as security for any liabilities.



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
-----------------	------	-------------------

10. Heritage assets

	Cost / Valuation	2018 Accumulated impairment losses	Carrying value	Cost / Valuation	2017 Accumulated impairment losses	Carrying value
Conservation areas	17 682 262	-	17 682 262	17 682 262	-	17 682 262

Reconciliation of heritage assets - 2018

	Opening balance	Total
Conservation areas	17 682 262	17 682 262

Reconciliation of heritage assets - 2017

	Opening balance	Total
Conservation areas	17 682 262	17 682 262

A register containing the details of the conservation areas is available for inspection at the registered office of the entity.

Heritage assets which fair values cannot be reliably measured

The following heritage assets were not recognised due to a reliable measurement not being possible on initial recognition is as follows:

The Institute manages 10 national botanical gardens which is protected as conservation areas in terms of its mandate. A significant portion of the land is owned by state institutions. Due to the nature of the Institute's activities, the Institute could not establish either a fair value/deemed cost nor a replacement cost for these heritage assets. The entity is not the legal owner of most of the land and only the management authority. The total size of the land is 7900 hectares, spread in 10 national botanical gardens across the country, is being held indefinitely for the benefit of present and future generations. The land is protected, kept unencumbered, cared for and preserved for its natural heritage. Other heritage assets which are not held for sale are as follows:

SANBI has a rich and valuable collection of original watercolour plates and pen and ink drawings housed at herbaria in Pretoria and Cape Town. The Pretoria collection was built up from around 1916, by the former Botanical Research Institute, as the original artwork for its many journals and books. It continues to be added to as new papers and books are published. Additional smaller collections of artwork were acquired by means of bequests to the nation or purchased by grants.

SANBI Herbaria houses archived specimens of dried plant material mounted on cardboards or in packets, stored in cupboards arranged in an accessible system. These plant specimens are kept in modern steel cabinets with magnetic sealing doors (some are kept in older wooden cabinets made of different kinds of wood and now forming a valuable collection of examples of worked timber). The collection currently stands at approximately 2 million specimens of which 1.2 million are computerized. Most specimens are from Southern Africa, but the collection extends into the rest of Africa and surrounding islands and includes small collections from outside Africa. Vascular plants, bryophytes, and lichens are represented.



Notes to the Financial Statements

10. Heritage assets (continued)

The collection of the National Herbarium (PRE) was extended by several valuable collections over the years, including that of E.E. Gal pin and, in 1952, the Transvaal Museum (TRV). More recently the Saasveld Herbarium and the Forestry Herbarium (PRF) were incorporated in the National Herbarium (PRE), currently making it by far the largest herbarium in Africa.

The oldest specimen in this collection is a specimen of *Erica mammasa*, collected by W.J. Burchell (1781-1863) on the Cape Flats near Salt River in January 1811. Other historically significant specimens in the collection includes: *Dichrostachys cinerea* subsp. *africana* var. *africana* collected by Burke & Zeyher on their first trip to the Magaliesberg in 1841 and *Ochna pulchra*, collected by General J.C. Smuts near the Pienaars River, 50 miles west of Warmbaths, in October 1932.

There are approximately 10,000 type specimens in the collections of the National Herbarium. Type specimens are scientifically significant specimens in the collection as they are acting as a reference for the plant name, upon which the name is based.

The cryptogrammic collection of the National Herbarium consists of more than 80,000 mounted specimens of bryophytes (Hornworts, liverworts and mosses). It contains the largest and most representative collection of Southern African cryptogams. The PRE cryptogrammic herbarium is the largest of its kind in Africa and one of the largest in the southern hemisphere.

SANBI has two main libraries - the Mary Gunn Library in Pretoria and the Harry Molteno Library in Cape Town. They rank amongst the biggest botanical libraries in the southern hemisphere and are a valuable resource for information on Southern African flora and biodiversity.

The Mary Gunn Library dates back to 1916 and is housed in the National Herbarium in Pretoria and is currently the most comprehensive botanical library of its kind in Africa and serves as one of the important botanical and biodiversity resources in Africa. The library houses a magnificent Africana and Rare Antiquarian Book Collection such as the 18 broadsheet edition of Redouté's *Les Liliacées* (1807-1816) and the *Xylotech* Book Collection by Clementz H. Wehde mann (early 1800s).

The Harry Molteno Library at Kirstenbosch dates back to 1913 when the Garden was founded but was officially started in 1921. Since that time it has grown considerably and has moved several times. It is presently housed in the Kirstenbosch Research Centre.



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
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11. Intangible assets

	2018			2017		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software	23 830 373	(17 496 280)	6 334 093	17 793 574	(13 449 613)	4 343 961
Intangible assets work in progress	1 548 652	-	1 548 652	-	-	-
Total	25 379 025	(17 496 280)	7 882 745	17 793 574	(13 449 613)	4 343 961

Reconciliation of intangible assets - 2018

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software	4 343 961	6 036 799	-	(4 046 667)	6 334 093
Intangible assets work in progress	-	1 548 652	-	-	1 548 652
	4 343 961	7 585 451	-	(4 046 667)	7 882 745

Reconciliation of intangible assets - 2017

	Opening balance	Additions	Amortisation	Total
Computer software	2 832 254	3 883 525	(2 371 818)	4 343 961

12. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprises of:

Unspent conditional grants and receipts

Unspent conditional grants and receipts	60 722 695	17 421 976
Debit balances transferred to receivables from non-exchange transactions	533 560	77 296
Unspent conditional grant deposits	4 200 000	4 500 000
	65 456 255	21 999 272

Movement during the year

Balance at the beginning of the year	21 999 272	(5 265 802)
Additions during the year	68 649 946	85 707 439
Income recognition during the year	(25 726 523)	(58 519 661)
Debit balances transferred from receivables to non-exchange transactions	533 560	77 296
	65 456 255	21 999 272



Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
13. Payables from exchange transactions		
Trade payables	8 751 547	7 659 208
Other payables	7 532 471	3 799 035
Income received in advance	167 940	167 408
Accrued expense	25 130 161	17 801 397
Accrued leave pay	10 596 469	9 673 954
Accrued service bonus	6 831 419	6 199 498
	59 010 007	45 300 500

14. Provisions

Reconciliation of provisions - 2018

	Opening Balance	Additions	Reversed during the year	Total
Performance and related incentives	3 688 101	5 972 771	(3 688 101)	5 972 771
Capped leave provision	3 481 732	67 058	-	3 548 790
Long service awards	-	1 177 000	-	1 177 000
	7 169 833	7 216 829	(3 688 101)	10 698 561

Reconciliation of provisions - 2017

	Opening Balance	Additions	Utilised during the year	Total
Performance and related incentives	3 613 619	3 867 908	(3 793 426)	3 688 101
Capped leave provision	3 481 732	-	-	3 481 732
	7 095 351	3 867 908	(3 793 426)	7 169 833
Non-current liabilities			4 547 790	3 481 732
Current liabilities			6 150 771	3 688 101
			10 698 561	7 169 833

The provision for performance incentives is based on 1.5% of total budgeted employee remunerations and other related incentives is based on past cost with incremental percentage where deemed necessary.

15. Employee benefit obligations

Post-Retirement benefits

The South African National Biodiversity Institute Retirement Funds consist of the South African National Biodiversity Institute Provident Fund and the South African National Biodiversity Institute Pension Fund. The values have been calculated by independent Actuaries.

Membership of the funds are a prerequisite for all permanently employed staff employed as from the 1st of December 1994. The policy is to provide retirement benefits for employees by means of separate Pension and Provident Funds to which both employee and employer respectively, contribute in equal proportion.

The Provident Fund is a defined contribution fund, except for members in service on or before 30 November 1995 who qualify for a defined benefit from the fund. The Pension Fund is also a defined contribution fund. The employer contributes to the Provident Fund while the employees' contribution is paid to the Pension Fund.

Retirement benefit income statements amounts are included in personnel costs.

Total employer's contributions	1 991 587	15 645 744
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South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
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15. Employee benefit obligations (continued)

Fair value of the defined benefit obligation:

Opening balance	(299 537 080)	(268 259 643)
Interest cost	(27 694 760)	(25 758 356)
Current service cost	(1 991 587)	(12 124 055)
Benefits paid	18 390 165	17 671 594
Actuarial gain/(loss)	(14 054 157)	(11 066 620)
Present value of obligation as at 31 March 2018	(324 887 419)	(299 537 080)

Fair value of plan assets

Opening balance	318 336 832	304 436 502
Expected return on plan assets	29 480 736	29 267 511
Contributions	1 991 587	15 645 744
Benefits paid	(18 390 165)	(17 671 594)
Actuarial gain/(loss) on plan assets	(5 511 655)	(13 341 332)
Fair value of plan assets as at 31 March 2018	325 907 335	318 336 831

Amounts recognised in the Statement of Financial Position

Present value of funded obligation	(324 887 419)	(299 537 080)
Fair value of plan assets	325 907 335	318 336 832
Surplus (deficit) in plan	1 019 916	18 799 752
Unrecognised actuarial (gains)/losses	(1 019 916)	(2 655 732)
	-	16 144 020

Post-retirement benefits

In terms of GRAP 25 an asset should not be recognised in the entity's statement of financial position unless the entity has control of the asset, the asset arises due to past events (e.g. excess contributions) and the entity has beneficial use of the assets (e.g. via a contribution holiday or cash refund). A liability must always be recognised. The values have been calculated by independent Actuaries.

Current service cost	1 991 587	12 124 055
Interest on obligation	27 694 760	25 758 356
Expected return on plan assets	(29 480 736)	(29 267 511)
Net actuarial (gains)/losses recognised in the current year	19 565 812	24 407 952
	19 771 423	33 022 852

Key actuarial assumptions in determining the above positions

Discount rate annualised yield on R213 (2017:R213)	8,60 %	9,50 %
Inflation rate	6,60 %	7,00 %
Expected rate of salary increases (Inflation +1%)	7,60 %	8,00 %
Expected rate of return on plan assets (Actuarial valuation)	8,60 %	9,50 %



Notes to the Financial Statements

Figures in Rand	2018		2017 Restated*		
15. Employee benefit obligations (continued)					
Defined benefit pension plan					
	2014	2015	2016	2017	2018
Defined benefit obligation	(236 177 923)	(272 306 919)	(268 259 643)	(299 537 080)	(324 887 419)
Plan assets	258 059 792	288 847 770	304 436 502	318 336 832	325 907 335
Surplus (deficit)	21 881 869	16 540 851	36 176 859	18 799 752	1 019 917
	-	-	-	-	-
Experience adjustments on plan liabilities	(17 200 523)	26 160 337	(6 360 293)	11 066 620	14 054 157
Experience adjustments on plan assets	26 823 597	16 435 545	11 405 541	(13 341 332)	(5 511 655)
Post- retirement medical aid benefits					
Amounts Recognised in the Statement of Financial Performance					
Service cost				2 088 000	1 186 000
Interest cost				3 740 000	2 185 000
Actuarial (gain)/loss recognised				(3 732 000)	17 225 000
Total included in employee benefits [(gain)/expense]				2 096 000	20 596 000
Amounts Recognised in the statement of financial position					
Post-employment medical obligation					
Present value of funded obligations:					
- Members				32 477 000	33 557 000
- Non-members				13 150 000	11 012 000
				45 627 000	44 569 000
Movements in the net liability in the statement of financial position					
Post-employment medical obligation					
Net liability at start of year				44 569 000	24 587 000
Interest cost				3 740 000	2 185 000
Current service cost				2 088 000	1 186 000
Benefit payment				(1 038 000)	(614 000)
Projected accrued services liability at end of the year				49 359 000	27 344 000
Actuarial (gain) loss				(3 732 000)	17 225 000
				45 627 000	44 569 000
Principal actuarial assumptions at statement of reporting date					
Discount rate 31 March (%)				8,85 %	8,49 %
General increases to medical aid subsidy (%)				7,09 %	7,22 %
Proportion continuing membership at retirement (%)				100,00 %	100,00 %
Proportion of retiring members who are married (%)				90,00 %	90,00 %
Retirement age (years)				65	65



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
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15. Employee benefit obligations (continued)

Projection of liability to 31 March 2019

The projection of the results from 01 April 2018 to 31 March 2019, assuming that the experience follows the assumptions exactly, is as follows:

Post-employment medical obligation:

Net liability at start of year 1 April 2018	45 627 000
Interest cost	1 981 000
Current service cost	3 980 000
Benefit payments	(1 310 000)
Projected accrued service liability as at 31 March 2019	50 278 000

Sensitivity analysis

The results are dependent on the assumptions used. In order to illustrate the sensitivity of the Actuarial results to changes in certain key variables, the Actuaries have recalculated the liabilities using the following assumptions:

- A 1% increase / decrease in the Medical Aid maximum cap inflation will result in the following amounts as disclosed below;

- A PA(90) and PA(90)-2 in the assumed level of mortality will result in the following amounts as disclosed below
PA(90)-2 (PA(90) with a two-year adjustment) means that, to each beneficiary a mortality rate of an individual two years younger than that beneficiary was attached. A lighter mortality rate implies that the individual lives longer than expected in the valuation basis.

Medical Aid and maximum cap inflation	-1% Medical Aid and maximum cap inflation (Rand)	Valuation Assumption (Rand)	+1% Medical Aid and maximum cap inflation (Rand)
Total accrued liability	38 897 000	45 627 000	54 031 000
Service cost	1 608 000	1 981 000	2 461 000
Interest cost	3 385 000	3 980 000	4 724 000

	Valuation basis PA (90) (Rand)	PA (90) - 2 (Rand)
Mortality		
Employer's accrued liability	45 627 000	49 063 000
Employer's service cost	1 981 000	2 127 000
Employer's interest cost	3 980 000	4 284 000

16. Other income

Sundry income	2 838 604	1 848 235
Guided tours	782 211	760 142
Insurance refund	489 783	1 695 190
Staff transport	157 495	162 467
Use of garden facilities	208 657	111 207
Professional services	5 797 833	4 613 091
Public functions	7 675	320
	10 282 258	9 190 652



Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
17. Government grants and subsidies		
Operating grants		
Government operating grant	294 228 000	237 973 000
	294 228 000	237 973 000
Capital grants		
Government capital grant	75 000 000	81 358 000
	75 000 000	81 358 000
	369 228 000	319 331 000
18. Other grants, bequests, sponsorships and donations		
Other grants	25 422 875	16 931 052
Sponsorship	62 067 287	76 435 786
Donations	9 869 851	61 279 955
Unspent conditional grants and receipts	(43 300 719)	(22 687 778)
	54 059 294	131 959 015
19. Employee related costs		
Basic	204 586 910	191 206 064
Acting allowances	338 628	176 792
Cell phone allowances	666 705	601 690
Housing benefits and allowances	7 137 684	6 960 877
Leave pay	563 128	48 599
Long-service awards	305 000	110 102
Medical aid - company contributions	1 180 075	640 732
Merit awards	52 795	46 688
Overtime payments	5 552 847	4 724 601
Pensioners annuities	7 987	6 179
Performance bonus	3 410 694	3 725 595
Senior management services allowances	13 834 691	12 863 327
Service bonus	13 432 578	7 558 025
Standby allowance	179 181	102 130
Workmen's compensation	837 609	728 515
Research assistants	1 349 371	313 164
Student stipends	2 722 674	1 289 827
Assistant education officer's	647 086	404 695
Other short term costs	2 051 634	2 449 812
Contract employee remuneration	30 806 053	28 562 321
	289 663 330	262 519 735
Remuneration of accounting authority and sub committee members		
Meeting fees	946 349	818 676
Employee related costs - MTEF funded	276 052 796	237 577 314
Employee related costs - Projects funded	14 556 883	25 761 092
	290 609 679	263 338 406



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
20. Operating expenses		
Advertising	286 553	815 746
Assessment rates & municipal charges	71 683	114 165
Auditors remuneration (Note 23)	4 930 080	4 656 979
Bank charges	1 440 808	1 760 183
Biological asset cost	1 623 092	1 324 560
Bursaries	6 273 948	7 603 207
Cleaning	5 014 319	3 794 484
Commission paid	1 009 862	-
Conferences and seminars	6 664 743	4 558 335
Consulting and professional fees	24 841 563	37 740 030
Electricity	7 614 808	6 947 571
Entertainment	142 394	129 491
Field trips	806 835	599 874
Hire of equipment	339 249	231 601
Insurance	2 706 359	2 588 582
IT expenses	13 313 956	11 507 536
Marketing	8 451 736	8 049 440
Motor vehicle expenses	5 334 389	5 267 797
Postage and courier	662 141	559 810
Printing and stationery	5 156 068	5 036 298
Project implementer costs	3 465 764	2 329 015
Protective clothing	653 786	734 569
Recruitment costs	802 149	2 174 014
Refuse	466 839	399 775
Repairs and maintenance (Note 22)	10 554 145	6 480 087
Security	12 910 732	11 520 424
Staff welfare	1 726 968	816 569
Subscriptions and membership fees	191 058	143 009
Sundry expenses	6 273 046	6 640 642
Sundry garden and operating expenses	15 249 298	22 187 089
Telephone and fax	2 943 101	3 076 137
Training	2 786 551	4 205 950
Travel - local	18 915 602	15 717 225
Travel - overseas	3 905 369	3 202 144
Uniforms	50 378	57 948
Water	2 474 929	2 559 810
	180 054 301	185 530 096
Operating expenses - MTEF funded	110 717 641	114 222 557
Operating expenses - Projects funded	69 336 660	71 307 539
	180 054 301	185 530 096



Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
21. Debt impairment		
Provision for impairment movement (Note 4)	90 807	66 011
22. Repairs and maintenance		
Expenditure incurred to repair and maintain property, plant and equipment	10 233 915	6 441 410
Expenditure incurred to repair and maintain investment property	320 230	38 677
	10 554 145	6 480 087
23. Auditors' remuneration		
Fees	4 666 605	4 646 387
Expenses	263 475	10 592
	4 930 080	4 656 979
24. Cash generated from operations		
Surplus	49 145 925	73 585 604
Adjustments for:		
Depreciation and amortisation	24 948 238	27 535 812
Loss on sale of assets	(264 716)	5 487 144
Fair value adjustments	(2 533 359)	(207 848)
Impairment deficit	46 642	-
Debt impairment	90 807	66 011
Movements in operating lease assets	(114 394)	(733 791)
Movements in retirement benefit assets and liabilities	17 202 020	3 837 980
Movements in provisions	3 528 728	3 556 214
Fair value of donated assets	(9 200 000)	-
Plants for resale cost	1 431 532	1 007 739
Foreign exchange loss/(gain)	6 170	(5 896)
Changes in working capital:		
Inventories	(1 513 485)	(4 587 384)
Receivables from exchange transactions	(3 846 727)	(447 441)
Other receivables from non-exchange transactions	12 326 629	(401 579)
Payables from exchange transactions	13 709 494	(7 174 110)
Transfers payable (non exchange)	8 919 088	(1 695 838)
Unspent conditional grants and receipts	43 456 983	13 284 634
	157 339 575	113 107 251



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
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25. Commitments

Authorised capital expenditure

Already contracted for but not provided for

• Property, plant and equipment	68 863 048	122 966 310
• Intangible assets	4 348 687	-
	73 211 735	122 966 310

Total capital commitments

Already contracted for but not provided for	73 211 735	122 966 310
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The above commitments will be financed by retained surpluses, existing cash resources, funds internally generated and government grants.

Operating leases - as lessee (expense)

Minimum lease payments due

- within one year	808 380	731 558
- in second to fifth year inclusive	207 778	373 386
	1 016 158	1 104 944

Operating lease payments represent rentals payable by the entity for certain of its office equipment. Leases are negotiated for an average term of three years and rentals are fixed for an average of three years. No contingent rent is payable.

26. Contingencies

Guarantees

Staff housing guarantees, estimated maximum	118 170	118 170
Recoverable from retirement funds	(118 170)	(118 170)
	-	-

SANBI assists qualifying officials partly for housing loans from financial institutions. For this purpose agreements have been entered into with approved financial institutions to the effect that SANBI will guarantee a maximum of 20% of the housing loan for which a person qualifies. The maximum amount is based on the official's basic salary. SANBI guaranteed 8 loans in the current year (2017: 8). The guarantees are fully recoverable from the employees' cash portion of their retirement fund.

Claim submitted by employee

An employee lodged a claim against SANBI. The matter is still in progress and could result in a liability of R1 209 092.



Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
27. Reconciliation of budget and actual amounts		
Material differences between budget and actual amounts		
The variances between the approved budget and actual results are due to the following:		
Rent received - Given the challenges with operators and tight economic conditions, the increase in visitor numbers did not translate into higher rentals.		
Interest received – long term project funds inflows enabled investment of excess cash at more advantageous rates.		
Other grants, bequests, sponsorships and donations – project funds received ahead of expected commencement dates		
Employee related costs – critical posts were filled and project personnel appointed ahead of expected dates		
Overall there is underspending on the budget as a result of timing differences between the funds received and project plans.		
28. Related parties		
Relationships		
Controlling entity	Department of Environmental Affairs	
Entities under common control	South African National Parks South African Weather Services iSimangaliso Wetland Park	
Members of key management	Refer to note 30	
Related party balances		
Trade receivables		
Department of Environmental Affairs	464 649	10 148 870
South African National Parks	5 590	5 590
Related party transactions		
Government grants		
Department of Environmental Affairs	369 228 000	319 331 000
Other grants, bequests, sponsorships and donations		
Department of Environmental Affairs	730 000	46 749 343
Sales		
Department of Environmental Affairs	-	270 000
South African National Parks	-	5 310
Purchases		
Department of Environmental Affairs	-	351 401
iSimangaliso Wetland Park	-	69 318
Compensation to board members, sub-committee members and other key management (Note 30)		
Board members remuneration	824 619	696 724
Independant committee members remuneration	121 730	121 952
Executive committee remuneration	14 841 439	12 992 551
	15 787 788	13 811 227



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
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29. Risk management

Financial risk management

The entity's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk.

In the course of SANBI's operations it is exposed to credit, liquidity and market risk. SANBI has developed a comprehensive risk strategy in terms of Treasury Regulation 27.2 (require a public entity to have a comprehensive risk management strategy, which includes a fraud prevention plan) in order to monitor and control these risks. The risk management process relating to each of these risks is discussed under the headings below.

SANBI's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on SANBI's financial performance. SANBI does not use derivative financial instruments to hedge risk exposures. Risk management is performed by management under policies approved by the executive committee. Management identifies, evaluates and manages financial risks in close co-operation with SANBI's operating units.

Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared.

Prudent liquidity risk management implies maintaining sufficient cash and obtaining the continued commitment from the Department of Environmental Affairs for the government grant and related project funding.

Due to the nature of the business, management maintains flexibility in funding by maintaining expenses below budget.

The table below analyses SANBI's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Carrying amounts equate to their fair values.

At 31 March 2018	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	41 414 176	-	-	-
At 31 March 2017	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	29 259 640	-	-	-



Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
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29. Risk management (continued)

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial assets, which potentially subject SANBI to the risk of non performance by counter parties, consist mainly of cash and cash equivalents and accounts receivable. SANBI limits its treasury counter-party exposure by only dealing with well-established financial institutions approved by National Treasury through the approval of their cash management policy in terms of Treasury Regulation. SANBI's exposure is continuously monitored by the Accounting Authority. SANBI does not have any material exposure to any individual or counter-party. SANBI's largest concentration of credit risk is limited mainly to the sale of plants. No events occurred in the industry during the financial year that may have an impact on the accounts receivable that has not been adequately provided for. SANBI no longer assists qualifying employees to obtain 100% housing loans from financial institutions without a cash deposit, as the financial institution concentrate more on the affordability other than what the staff member qualifies for. However, these guarantees are fully recoverable from the employees' cash portion of their retirement fund. Due to the nature of the Institute's financial instruments it is highly unlikely that the Institute will encounter difficulty in raising funds to meet commitments associated with financial instruments.

Maximum exposure to credit risk of financial assets at year-end

Trade receivables	7 633 553	3 877 633
Cash and cash equivalents	366 545 816	293 750 025
	374 179 369	297 627 658

Fair value of financial assets at year-end

Trade receivables	7 633 553	3 877 633
Cash and cash equivalents	367 863 325	295 055 155
	375 496 878	298 932 788

Market risk

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. SANBI obtains competitive rates from approved financial institutions on a monthly basis.

As SANBI has significant interest-bearing assets, hence SANBI's income and operating cash flows are dependent on changes in market interest rates. SANBI reviews its interest rate exposure on a regular basis. Market rates are compared with stable and credit-rated financial institutions. Various institutional rates are simulated taking into consideration terms of deposits, availability of cash resources and any related risk factors. SANBI's exposure to interest rate risk and the effective interest rates on financial instruments at the financial reporting date are as follows:

Assets

Cash deposits: 6% effective interest (2016: 5%)	366 845 816	293 750 025
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Sensitivity Analysis

Investment income at a 1% deposit rate increase	3 668 458	2 937 500
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South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
29. Risk management (continued)		
Sensitivity analysis		
Investment income at a 1% deposit rate decrease	(3 668 458)	(2 937 500)
Based on these scenarios, the impact of a positive 1% shift in deposit interest rates will have a R 3 668 458 (2017: R 2 937 500) impact on income.		
Foreign exchange risk		
The entity does not operate internationally, but undertakes some transactions denominated in foreign currencies, and is thus exposed to foreign exchange risk arising from fluctuations in foreign currencies. The entity does not hedge itself against exposure to foreign exchange risk. Foreign currency exposure at financial year-end relates to trade payables and is disclosed in the note to the annual report.		
At 31 March 2018, if the currency had strengthened by 11% against the US dollar with all other variables held constant, the surplus for the year would have been R 1 092 (2017: R 12 542) higher, mainly as a result of foreign exchange gains or losses on translation of US dollar.		
Foreign currency exposure at statement of financial position date		
Liabilities		
USD 840 (2017: 7 101)	9 923	95 579
GBP nil (2017: 1 100)	-	18 442
Exchange rates used for conversion of foreign items were:		
USD	11.8128	13.4599
GBP	16.6018	16.7650
EUR	14.5410	14.3947
30. Board and executive members' emoluments		
Board and committee members	Fees	Fees
Ms ME Magomola (Board Chairperson)	140 230	89 194
Dr M Rampedi (Chief Executive Officer)***	-	-
Dr T Abrahamse (Chief Executive Officer)****	-	-
Prof CT Chimimba*	31 302	26 368
Dr ST Cornelius	95 978	85 250
Mr JG Dladla* (resigned 26 January 2017)	-	6 592
Dr L Dziba*	24 346	29 664
Ms T Godongwana	74 888	54 492
Mr S Gounden	90 872	69 648
Mr LJ Makoro*	34 780	29 664
Ms S Mancotywa**	-	-
Dr JM Matjila	112 665	124 140
Ms NN Mnqeta	104 784	89 424
Ms BD Ngidi	118 252	105 472
Dr Y Seleti**	-	-
Prof BW van Wilgen	86 950	79 104
Mr T Zororo*	31 302	29 664
	946 349	818 676



Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
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30. Board and executive members' emoluments (continued)

* Independent sub-committee member

** No honoraria were paid - state employee

*** Remunerated as executive member - appointed 01 September 2017

**** Remunerated as executive member - contract ended 31 August 2017

Executive members	Basic	Non pensionable allowances	Bonuses	Pension and medical benefits	Total 2018
M Rampedi - Chief Executive Officer (ex officio) (01/09/2017 - 31/03/2018)	784 194	213 429	-	74 445	1 072 068
TE Abrahamse - Chief Executive Office(ex officio) (01/04/2017 - 31/08/2017)	637 121	298 164	57 105	59 059	1 051 449
CH Mbizvo - Head of Branch: Biodiversity Research, Policy and Knowledge Management	1 211 683	549 950	52 225	117 245	1 931 103
L Sithole - Chief Financial Officer	1 171 175	303 213	43 917	89 623	1 607 928
ME Khoahli - Chief Corporate Officer	876 121	384 268	38 328	107 094	1 405 811
MJ Netshiombo - Chief Director: Human Resources	1 007 038	230 392	37 204	110 136	1 384 770
CK Willis - Chief Director: Conservation Gardens and Tourism	863 175	379 915	37 204	105 391	1 385 685
RJ Sebola - Chief Director: Biosystematics and Collections	867 724	212 555	-	78 237	1 158 516
JS Donaldson - Chief Director: Biodiversity Research, Information and Monitoring	837 855	383 173	36 113	103 492	1 360 633
KE Maze - Chief Director: Biodiversity Planning and Policy Advice	837 855	362 441	36 113	104 224	1 340 633
M Barnette - Leader: Climate Fund	732 767	313 737	-	96 342	1 142 846
	9 826 708	3 631 237	338 209	1 045 288	14 841 442



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
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30. Board and executive members' emoluments (continued)

Executive members	Basic	Non pensionable allowances	Bonuses	Pension and medical benefits	Total 2017
TE Abrahamse - Chief	1 242 877	552 782	76 140	119 204	1 991 003
Executive Officer CH Mbizvo - Head of Branch: Biodiversity Research, Policy and Knowledge Management	1 138 264	520 574	68 604	111 358	1 838 800
L Sithole - Chief Financial Officer	1 117 405	289 985	58 556	85 590	1 551 536
ME Khoahli - Chief Corporate Officer	835 121	366 059	51 104	103 407	1 355 691
MJ Netshiombo - Chief Director: Human Resources	945 648	216 766	48 872	104 304	1 315 590
CK Willis - Chief Director: Conservation Gardens and Tourism	812 045	362 291	48 872	101 676	1 324 884
RJ Sebola - Chief Director: Biosystematics and Collections	792 688	200 046	-	75 111	1 067 845
JS Donaldson - Chief Director: Biodiversity Research, Information and Monitoring	786 778	339 549	47 438	99 781	1 273 546
KE Maze - Chief Director: Biodiversity Planning and Policy Advice	788 231	338 097	47 438	99 890	1 273 656
	8 459 057	3 186 149	447 024	900 321	12 992 551

31. Operating lease - as lessor

Minimum lease payments due

- Within one year	5 186 371	4 388 598
- Between two to five years	10 546 916	7 590 824
- Later than five years	32 029	223 677
	15 765 316	12 203 099



Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
32. Financial instruments disclosure		
Categories of financial instruments		
2018		
Financial assets		
	At amortised cost	Total
Cash and cash equivalents	367 863 325	367 863 325
Trade and other receivables from exchange transactions	7 633 553	7 633 553
	375 496 878	375 496 878
Financial liabilities		
	At amortised cost	Total
Trade and other payables from exchange transactions	41 414 176	41 414 176
2017		
Financial assets		
	At amortised cost	Total
Cash and cash equivalents	295 055 155	295 055 155
Trade and other receivables from exchange transactions	3 877 633	3 877 633
	298 932 788	298 932 788
Financial liabilities		
	At amortised cost	Total
Trade and other payables from exchange transactions	29 259 640	29 259 640
Financial instruments in statement of financial performance		
2018		
	At amortised cost	Total
Interest income (calculated using effective interest method) for financial instruments at amortised cost	20 845 944	20 845 944
2017		
	At amortised cost	Total
Interest income (calculated using effective interest method) for financial instruments at amortised cost	12 779 819	12 779 819



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand

33. Segment information

General information

Identification of segments

The entity is organised and reports to management on the basis of mandated areas. The segments were organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Segments were aggregated for the type of services and target market for reporting purposes.

The segmental information have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

The segment information have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment

Conservation gardens and tourism
Science policy and research

Goods and/or services

National Botanical Gardens and related materials
Biodiversity research and policy advice

Notes to the Financial Statements

Figures in Rand

33. Segment information (continued)

2018	Conservation garden and tourism	Science policy and research	Total
Revenue			
Revenue from non-exchange transactions	115 561 515	177 492 275	293 053 790
Revenue from exchange transactions	85 732 353	1 327 750	87 060 103
Interest revenue	4 560 443	4 405 442	8 965 885
Total segment revenue	205 854 311	183 225 467	389 079 778
Head office revenue			156 621 824
Entity's revenue			545 701 602
Expenditure			
Salaries and wages	100 332 560	111 795 156	212 127 716
Other expenses	53 310 744	91 352 046	144 662 790
Total segment expenditure	153 643 304	203 147 202	356 790 506
Total segmental surplus/(deficit)	52 211 007	(19 921 735)	32 289 272
Total revenue reconciling items			156 621 824
Head office expenditure			(139 765 171)
Total segment surplus			32 289 272
Entity's surplus for the period			49 145 925

	Conservation garden and tourism	Science policy and research
Other information		
Capital expenditure (excluding additions to financial instruments and post-employment benefit liabilities)	809 469	35 505 279
Additions to non-current assets, total assets and total liabilities of segments have not been disclosed as the amounts are not regularly provided to management for review.		

2017

	Conservation garden and tourism	Science policy and research	Total
Revenue			
Revenue from non-exchange transactions	166 898 302	227 316 972	394 215 274
Revenue from exchange transactions	153 963 360	1 248 226	155 211 586
Interest revenue	482 638	1 572 249	2 054 887
Total segment revenue	321 344 300	230 137 447	551 481 747
Head office revenue			4 779 706
Entity's revenue			556 261 453
Expenditure			
Salaries and wages	88 796 332	157 050 859	245 847 191
Other expenses	63 616 801	85 144 646	148 761 447
Total segment expenditure	152 413 133	242 195 505	394 608 638
Total segmental surplus/(deficit)	168 921 167	(12 058 058)	156 873 109



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand

33. Segment information (continued)

Total revenue reconciling items	4 779 706
Head office expenditure	(88 067 211)
Total segment surplus	156 873 109
Entity's surplus for the period	73 585 604

	Conservation garden and tourism	Science policy and research
Other information		
Capital expenditure (excluding additions to financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts)	2 485 913	2 038 168

Additions to non-current assets, total assets and total liabilities of segments have not been disclosed as the amounts are not regularly provided to management for review.

Information about geographical areas

Science policy and research segment is not defined to a specific geographical location.

The entity's conservation garden and tourism operations are in seven of the nine provinces. The Eastern Cape values are not disclosed as the gardens is not operational at present.

The table below indicates their relevant geographical information after eliminating inter segmental transfers:

2018

	External revenues from non-exchange transactions	External revenues from exchange transactions	Total expenditure
Gauteng	75 297 825	13 348 105	42 161 110
Western Cape	29 099 979	72 583 367	78 931 253
Free State	1 326 439	1 478 675	9 472 687
Kwa-Zulu Natal	7 412 072	1 029 806	7 886 657
Mpumalanga	2 425 200	1 703 482	13 148 827
Northern Cape	-	149 361	2 042 770
Total	115 561 515	90 292 796	153 643 304

The comparative figures and the value of non-current assets are excluded from the above table as the necessary information is not available and the cost to develop it would be excessive.

2017

	External revenues from non-exchange transactions	External revenues from exchange transactions	Total expenditure
Gauteng	27 522 602	11 608 013	35 798 025
Western Cape	113 081 553	139 090 458	88 021 246
Free State	6 857 893	1 268 058	8 558 150
Kwa-Zulu Natal	5 949 662	818 329	6 306 760
Mpumalanga	11 833 444	1 456 685	11 747 376
Northern Cape	1 653 148	204 455	1 981 576
Total	166 898 302	154 445 998	152 413 133



Notes to the Financial Statements

Figures in Rand	2018	2017 Restated*
34. Irregular expenditure		
Add: Irregular expenditure - current year	18 727 088	95 887
Add: Irregular expenditure - current year relating to prior years	10 808 674	-
Less: Amounts condoned	(6 927)	(95 887)
	29 528 835	-

Analysis of expenditure awaiting condonation per age classification

Current year	18 720 161	-
Prior years	10 808 674	-
	29 528 835	-

Details of irregular expenditure – current year

Splitting of quotations	Awaiting condonation	1 220 999
Non-compliance with the Delegations of Authority	Awaiting condonation	10 808 674
Non-compliance with the Delegations of Authority	Awaiting condonation	17 499 162
Non-compliance with SCM policy and Treasury Regulation 16A6.1	Disciplinary action taken and condoned by CEO	6 927
		29 535 762

Details of irregular expenditure condoned

Non-compliance with SCM policy and Treasury Regulation 16A6.1

Condoned by (condoning authority)

Disciplinary action taken and condoned by CEO 6 927

35. Comparative figures

Certain comparative figures have been reclassified.

Certain employees have accumulated capped leave credits. The timing of the utilisation for the capped leave is uncertain. The capped leave amount is reclassified.

The effects of the reclassification are as follows on the 2017 figures:

Payables from exchange transactions - Accrued leave pay reduced by R 3 481 732

Provisions - Capped leave provision increased by R 3 481 732

36. Events after the reporting date

In terms of an agreement between the Minister of Science and Technology and the Minister of Environment Affairs the functions of the National Zoological Gardens will be transferred to SANBI with effect from 01 April 2018.



South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Notes to the Financial Statements

Figures in Rand

37. Prior period errors

The impact of the prior period errors on the 2017 figures are as follows:

Statement of Financial Position

	As previously stated	Adjustment	Amount restated
Inventory	-	4,587,384	4,587,384
Property, plant and equipment	184,551,511	9,363,687	193,915,198
Unspent conditional grant	-166,502,378	144,503,103	-21,999,275
Payables from exchange transactions	-51,140,078	5,839,592	-45,300,486
Transfer payable (non-exchange)	-	-12,485,070	-12,485,070
Provisions - Non Current	-	-3,481,732	-3,481,732
Accumulated Surplus	-297,001,402	-122,542,563	-419,543,965

Statement of Financial Performance

Interest received	-13,436,017	656,198	-12,779,819
Other Income	-5,988,931	-3,201,721	-9,190,652
Other grants, bequests, sponsorships and donations	-129,589,135	-2,369,881	-131,959,016
Operating Expenses	209,077,016	-23,546,917	185,530,099
Depreciation	24,857,893	2,677,919	27,535,812

Property, plant and equipment has been restated from R184 551 511 to R193 915 197 to account for assets not previously recognised in the asset register. Property, plant and equipment increased by R9 363 687 by an increase adjustment to opening accumulated surplus of R12 041 606 and depreciation expense of R2 677 919.

Government capital grant was previously treated as conditional grants received. It has been determined that the restriction on spending did not give rise to a condition. The unspent conditional grant has been decreased by R110 267 696, an increase to opening accumulated surplus of R82 224 062 and other grants, bequests, sponsorships and donations of R28 043 635.

Inventory previously expensed was recognised as an asset. The adjustment increased inventory by R 4 587 384 and decreased the operating expenses by R4 587 384.

Unidentified deposits to the bank account were previously recognised an income. This adjustment resulted in the payables from exchange transactions being increased by R 2 142 140 and decreased to the opening accumulated surplus of R 730 770 and other income of R 1 411 369.

Certain other grants, bequests, sponsorships and donations, amounts received were treated as having a condition on spending. It has being determine that certain amounts had no conditions on spending. This adjustment resulted in unspent conditional grants being decreased by R 15 820 908 through an increase to the opening accumulated surplus of R 17 664 192 and a decrease to other grants, bequests, sponsorships and donation of R 1 843 284.



Notes to the Financial Statements

Figures in Rand

37. Prior period errors (continued)

Certain other grants, bequests, sponsorships and donations, amounts received were treated as having a condition on spending. It has being determine that certain amounts met the criteria of a service provider. This adjustment resulted in unspent conditional grants being decreased by R 10 429 428, increase to the opening accumulated surplus of R 11 343 473, a decrease to other grants, bequests, sponsorships and donation of R 5 527 135 and an increase in other income of R 4 613 091.

Certain other grants, bequests, sponsorships and donations, amounts received were treated as having a condition on spending. It has being determine that certain amounts met the criteria of a principal agent. This adjustment resulted in unspent conditional grants being decreased by R 12 485 070 through an increase to the transfer payable (non-exchange) R 12 485 070, a decrease to other grants, bequests, sponsorships and donation of R 18 959 533 and decrease in operating expenses of R 18 959 533.

Interest earned on conditional amounts received was previously classified as interest received. The adjustment resulted in a decreased to interest received of R 656 198 and an increase to other grants, bequests, sponsorships and donation of R 656 198.

A conditional amount received was classified under other payables from exchange. The adjustment resulted in a decrease to other payables from exchange of R 4 500 000 and an increase to unspent conditional grants of R 4 500 000.

These errors could not be split between the segments in the Institute.

The correction of the error results in adjustments as follows:

Statement of financial position

Property, plant and equipment	-	9 363 687
Accumulated surplus	-	(122 542 561)
Payables from exchange transactions	-	5 839 592
Unspent conditional grants and receipts	-	144 503 106
Inventory	-	4 587 384
Transfer payable (non-exchange)	-	(12 485 070)

Statement of Financial Performance

Depreciation expense	-	2 677 919
Other income	-	(3 201 721)
Other grants, bequests, sponsorships and donations	-	(2 369 880)
Operating expenses	-	(23 546 917)
Interest	-	656 198

38. Transfers payable (non-exchange)

Principal funds	21 404 158	12 485 070
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South African National Biodiversity Institute

Financial Statements for the year ended 31 March 2018

Annexure A - Donations, other grants and sponsorships

Government

	March 2018	March 2017
Agricultural Research Council	20 000	-
Council for Scientific and Industrial Research (CSIR)	1 507 752	-
Department of Environmental Affairs	730 000	46 749 343
Department of Science and Technology	21 954 000	15 577 000
Department of Tourism	44 200 000	-
National Research Foundation (NRF)	7 169 321	6 129 001
National Treasury - Jobs Fund	-	13 612 053
Rand Water	-	15 000
South African National Energy Development Institute	73 500	44 000
Water Research Commission	500 000	600 000
	76 154 573	82 726 397

Foreign

Biodiversity International	-	70 762
Critical Ecosystem Partnership Fund (via Birdlife SA)	52 542	223 680
European Union (via United Nations Department of Economic & Social Affairs)	1 071 135	-
Global Biodiversity Information Facility (GBIF)	2 339 459	182 119
Global Environment Facility (via Development Bank of South Africa)	189 334	1 704 286
International Union for Conservation of Nature (IUCN)	133 498	-
JRS Biodiversity Foundation	1 964 781	665 158
National Geographic Society	-	244 290
Royal Botanic Gardens Kew	676 117	1 077 431
Smithsonian Institute	-	521 258
The Adaptation Fund	32 532 112	13 122 446
United Nations Development Programme (UNDP)	25 134 357	16 032 409
United Nations Environmental Programme (UNEP)	-	429 035
Universite Pierre et Marie Curie	-	141 251
University of Exeter	-	180 656
	64 093 335	34 594 781

Corporate

Offlimit Communication (Pty) Ltd	40 000	-
Plantandia Jewellery	-	50 000
	40 000	50 000

Individuals and Organisations

Dylan Lewis	62 500	62 500
Mr Iain Hume	30 000	-
Table Mountain Fund (TMF)	150 000	-
The Botanical Society of South Africa	1 352 455	2 686 950
University of Cape Town	-	30 000
World Wide Fund for Nature (WWF)	820 860	250 000
	2 415 815	3 029 450

The supplementary information presented does not form part of the financial statements and is unaudited

* See note 37



Annexure A - Donations, other grants and sponsorships

Trusts

	March 2018	March 2017
BOE Trust Ltd	30 000	30 000
Botanical Education Trust	12 000	-
Dr Sunshine	-	36 999
Estate Late Derek Fitzroy du Toit	60 000	-
Estate Late Hugh F R Stewart	-	99 968
Estate Late Joan Kathleen Boteville Wrench	-	59 298 442
Estate Late Pauline Marguerite Groves	-	20 000
Frances M Hawes Bequest	827	788
HR Hill Trust	-	97 781
NF Oppenheimer	-	20 000
The Green Trust	471 000	225 000
	573 827	59 828 978

Other

Bench Donations	109 000	35 000
Sundry Donations	4 909	8 261
	113 909	43 261
Total donations, grants and sponsorships	143 391 459	180 272 868
Conditional donations, grants and sponsorships	133 521 608	-
Unconditional donations, grants and sponsorships	9 869 851	-
	143 391 459	-

The supplementary information presented does not form part of the financial statements and is unaudited

* See note 37

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