

DEPARTMENT OF ENVIRONMENTAL AFFAIRS  
ANNUAL REPORT 2017/18



**environmental affairs**

Department:  
Environmental Affairs  
**REPUBLIC OF SOUTH AFRICA**





DEPARTMENT OF ENVIRONMENTAL AFFAIRS  
ANNUAL REPORT 2017/18

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## PART A: GENERAL INFORMATION

### 1. DEPARTMENT'S GENERAL INFORMATION

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## LIST OF ABBREVIATIONS/ACRONYMS

LIST OF ACRONYMS		LIST OF ACRONYMS		LIST OF ACRONYMS	
AEL	Air Emission Licence	EIA	Environmental Impact Assessment	MPA	Marine Protected Area
AEWA	African-Eurasian Migratory Waterbird Agreement	EMF	Environmental Management Framework	MPRDA	Mineral and Petroleum Resources Development Act
AG	Auditor-General	EMI	Environmental Management Inspectors	MRV	Monitoring, Reporting and Verification
AGSA	Auditor-General of South Africa	EPWP	Expanded Public Works Programme	MSP	Master Systems Plan
AIS	Alien Invasive Species	FTE	Full Time Equivalent	MTSF	Medium Term Strategic Framework
AQA	Air Quality Act	GEF	Global Environment Facility	NCMP	National Coastal Management Programme
AQM	Air Quality Management	GHG	Green House Gas	NEMA	National Environmental Management Act
AQMP	Air Quality and Management Planning	GIS	Geographical Information System	NPA	National Prosecuting Authority
BABS	Bioprospecting, Access and Benefit Sharing	GMO	Genetically Modified Organisms	NSSD	National Strategy for Sustainable Development
BEE	Black Economic Empowerment	HOD	Head of Department	OHS	Occupational Health and Safety
BBBEE	Broad Based Black Economic Empowerment	HR	Human Resources	OAG	Office of the Accountant-General
BMP	Biodiversity Management Plan	HRD	Human Resources Development	PAIA	Promotion of Access to Information Act
BRICS	Brazil, Russia, India, China and South Africa	ICT	Information and Communication Technologies	PFMA	Public Finance Management Act
CC	Climate Change	IDP	Integrated Development Plan	PMDS	Performance Management Development System
CFO	Chief Financial Officer	IBSA	India Brazil South Africa	PPP	Public Private Partnership
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora.	ICM	Integrated Coastal Management	SA	South Africa
CMP	Conference of the Members of Protocol	ICT	Information and Communication Technologies	SAAQIS	South African Air Quality Information System
CO2	Carbon Dioxide	IDP	Integrated Development Plan	SAEO	South Africa Environment Outlook
COP	Congress of the Parties.	IEG	International Environmental Governance	SAEON	South African Environmental Observation Network
CPO	Chief Procurement Officer	IEM	Integrated Environmental Management	SANBI	South African National Biodiversity Institute
CSIR	Council for Scientific and Industrial Research	IGC	Intergovernmental Committee	SASSETA	Safety and Security Sector Education and Training Authority
DAFF	Department of Agriculture Forestry and Fisheries	IGCCC	Intergovernmental Committee on Climate Change	SAWS	South African Weather Services
DBC	Departmental Bargaining Council	IPCC	Intergovernmental Panel on Climate Change	SCM	Supply Chain Management
DBSA	Development Bank of Southern Africa	IRP	Integrated Resource Plan	SDIP	Service Delivery Improvement Plan
DEA	Department of Environmental Affairs	IWMP	Industry Waste Management Plans	SETA	Sector Education and Training Authority
DLDD	Desertification Land Degradation and Drought	KZN	KwaZulu Natal	TOR	Terms of Reference
DPSA	Department of Public Service and Administration	M&E	Monitoring and Evaluation	UNCCD	United Nations Convention to Combat Desertification
DST	Department of Science & Technology	MCS	Modified Cash Standards	UNFCCC	United Nations Framework Convention on Climate Change
DWA	Department of Water Affairs	MEC	Member of the Executive Council	WEF	World Economic Forum
DAFF	Department of Agriculture Forestry and Fisheries	METT	Management Effectiveness Tracking Tool	WHC	World Heritage Convention
EEZ	Exclusive Economic Zone Information System	MINMEC	Minister and Members of Executive Council	WSP	Workplace Skills Plan
EDMS	Electronic Document Management System	MoU	Memorandum of Understanding		



**Dr Bomo Edith Edna Molewa, MP**  
Minister of Environmental Affairs

## FOREWORD BY THE MINISTER

It is a pleasure to submit the 2017/18 Annual Report of the Department of Environmental Affairs.

The report is presented to Parliament and outlines the achievements of the Department in the past financial year as is required through our Constitutional Mandate. Section 25 of the Constitution requires that the Department ensure the right to an environment that is not harmful to the health and well-being of South Africans and all those who live in our country.

The financial year saw a continuation of efforts to ensure the Paris Agreement work programme for the post-2020 period will be finalised by the end of 2018, and work to further decrease rhino poaching despite the lifting of the moratorium on the domestic trade in rhino horn.

To ensure that the South African position, and that of our partners BASIC, the BRICS countries and the G77, are incorporated, we participated in a number of key meetings and discussions around the implementation of the ground breaking 2015 Paris Agreement. Amongst these was the pre-COP meeting in Fiji, the Ministerial Meeting on Climate Action in Canada following the USA's withdrawal from the international climate regime, the third United Nations Environment Assembly in Kenya where a commitment was made to a pollution-free planet, and the meeting of the BRICS Ministers of Environment in the People's Republic of China where discussions centred on, amongst others, the implementation,

financing and creation of an enabling environment for the 2030 Agenda for Sustainable Development and emerging global environmental issues.

In meeting South Africa's commitment to achieving the 17 SDGs, we participated in the Sustainable Development Forum hosted by United Nations Economic and Social Council (ECOSOC) in New York, which took stock of the overall objectives of the SDGs Agenda 2030. Successful implementation will contribute significantly to ending poverty and hunger, achieving food security, improving nutrition and promoting sustainable agriculture, building resilient infrastructure, conserving and sustainably using the oceans and marine resources for sustainable development in line with the Goal directed at strengthening the means of implementation and revitalisation of the Global Partnership for Sustainable Development.

The landmark African Political Declaration on Pollution signed in Kenya is linked to the Sustainable Development Goals and will serve as a signal that humanity can work together to eliminate the threat of pollution and the destruction of the planet. Also linked to the SDG's, is the environmental cooperation agreements signed between South Africa and Rwanda.

In the short period of implementation of Operation Phakisa: Oceans Economy, there has already been some success demonstrating that there is a need to work together as different Government departments



and all relevant stakeholders to realise the aspirations of economic growth, yet balance the economic opportunities which the ocean space affords while maintaining securing its environmental integrity.

Although not as high profile at the 2015 climate change talks where the Paris Agreement was adopted, the 23rd United Nations Framework Convention on Climate Change (UNFCCC) Conference of Parties (CoP23) in Germany in November 2017 adopted decisions that advanced the implementation guidelines for the post-202 period.

At COP23, South Africa had, in collaboration with the National Business Initiative (NBI), hosted a successful dialogue series in which the work being done by the country to adapt to, and mitigate, climate change was showcased. This included the launch of the African Alliance on the Circular Economy by South Africa, Rwanda and Nigeria.

The Circular Economy was the focus of a workshop hosted by South Africa and the EU on the sidelines of the World Economic Forum in Durban in May 2017 providing an opportunity for both South African and European business, and other stakeholders, to engage on opportunities presented by the Circular Economy. The development of the Circular Economy is gaining momentum amongst BRICS states. The transition to a Circular Economy encompasses all of the changes which allow different economic actors (including end-users) to continue creating value whilst preserving the natural capital and using increasingly fewer limited resources.

South Africa is among the pioneers in adopting the Green Economy strategies and has put in place many programmes and policy frameworks in the recent past, to translate the NDP Vision 2030 into action. The country is currently implementing programmes to promote energy efficiency, green transport, sustainable housing and climate resilient agriculture.

Communities remain at the heart of all efforts to boost the Green Economy and Biodiversity Economy sectors ensuring that they derive maximum benefits while conserving biodiversity and natural resources.

Examples include the donation and release of wildlife at the Erin Game Ranch in the Northern Cape to celebrate the inscription of the #Khomani Cultural Landscape as the World Heritage Site. Another is the Double Drift Community Wildlife Economy Project in the Eastern Cape where zebra and hartebeest were released during the 3rd Biodiversity Economy Indaba as part of efforts to boost the community's beneficiation which includes extensive game breeding of high value and plain game species for live sales; beneficiation of products such as game meat, product development from skin and hides, and ecotourism activities such accommodation.

The National Biodiversity Economy Strategy aims is to promote a new generation of partnerships between protected areas, the private sector and communities to assist with the transformation agenda. The 3rd BEI ended with pledges by stakeholders in the wildlife, bioprospecting/biotrade and eco-tourism sectors to ensure greater inclusivity and transformation.

Within the Chemicals and Waste sector, the 2017/18 financial year saw the Department taking action against polluters across the country. One of these was the suspension of all operations at the Shongweni Landfill Site in eThekweni, KwaZulu-Natal, following non-compliance with the provisions of the law and

conditions of the Waste Management Licence. It was the Department's view that there is a potential threat to human health and/or the environment resulting from the operations at the Shongweni Landfill Site.

In addition, the Department was granted a High Court order to wind down and liquidate REDISA after it came to light that the company would cease collection of waste tyres on 1 June 2017. The Court ordered the appointment of a liquidator who took immediate control of the business of REDISA including the implementation of the approved Integrated Industry Waste Tyre Management Plan.

Rhino poaching and the implementation of the Government's Integrated Strategic Management Approach remain high in the prioritised work being undertaken to combat wildlife crime.

Although the Constitutional Court set had aside the moratorium on the domestic trade in rhino horn retrospectively during the year under review, only a limited number of horn have been sold on the domestic market. The lifting of the moratorium, which had been in place since February 2009, has not legalised the commercial international trade in rhino horn. International trade remains prohibited in terms of the international protocols that South Africa is party to, particularly the Convention on International Trade in Species of fauna and flora (CITES).

During 2017 rhino poaching decreased for a second consecutive year, and the arrest of alleged rhino poachers had increased. This is a clear indication that the multi-sectoral, interdisciplinary approach is working. Another development in line with the Approach was the opening of the Skukuza Regional Court in the Kruger National Park in 2017 -- a move that is contributing significantly to the speedy conclusion of rhino poaching and related cases.

South Africa's conservation success also contributed the successful translocation of six black rhino to Chad as part of an initiative to reintroduce rhino to the country. The translocation followed the signing of Memoranda of Understanding in the field of Biodiversity Conservation and Management and Rhino Management between South Africa and Chad in Pretoria in 2017.

We remain committed to the development agenda as espoused in the National Development Plan.

I am pleased to present the 2017/18 report which complies with all statutory reporting requirements, particularly section 40(1) of the Public Finance Management Act (PFMA), 1999, and paragraph 18 of the National Treasury Regulations.



**Dr Edna Molewa, MP**

Minister of Environmental Affairs



**BARBARA THOMSON, MP**  
DEPUTY MINISTER OF ENVIRONMENTAL AFFAIRS

## STATEMENT BY THE DEPUTY MINISTER

The Department of Environmental Affairs has as its main task the implementation of the South African Constitution's Section 24 Right for all to an environment that is not harmful to their health and well-being.

To achieve this, a number of legislative and policy measures have been introduced to ensure that the country is able to adapt to build a climate resilient climate change, mitigate the effects of climate change, as we implement the Vision of the National Development Plan to build an environmentally sustainable, climate change resilient, low-carbon economy and just society by 2030.

It is through the measures that the Department has implemented that the country should prevent ecological degradation, promote conservation and secure ecologically sustainable development and use of natural resources alongside promoting justifiable economic and social development.

Within Africa, South Africa has been working to reconnect and recommit the country to building a better Africa, and a better world, for all its people.

In working to achieve peace globally, and to improving the lives of the people, conservation of the environment plays an important role. Without the sustainable use of South Africa's rich and abundant natural resources, the environment will be decimated an act that will be to the detriment of all. Achieving

the balance between sustainable utilisation and the development of the economy while conserving the environment is a challenge, but by no means insurmountable.

To address the negative effects of climate change, particularly the increase extreme weather conditions the Department has introduced a number of measures to ensure that particularly children, women, the elderly and poor communities are able to deal with the impacts of drought, flooding and other extreme weather events on crops and food supplies, infrastructure and livelihoods.

Among the means to address the challenges being faced by the population, the Department continues to implement the Expanded Public Works initiatives through the Working For Water, Working for Wetlands, Working for Waste, Working for Ecosystems, Working for Land and other Programmes.

In 2017 the Working on Fire Programme deployed 1 200 members for two weeks to the Garden Route to fight the devastating fires in Knysna and surrounding areas.

The Department's Environmental Protection and Infrastructure Programme (EPIP) and the Natural Resource Management Programme (NRM) are two plans through which a contribution is made to the government's priority of job creation and the empowerment of young people.

Poverty alleviation projects are implemented via job creation drives, the development of skills and small, micro and medium enterprises. These projects contribute to the attainment of sustainability by addressing the three aspects of sustainability - environment, social and economic through the use of labour intensive methods targeting the unemployed, particularly the youth, women, people living with disabilities and SMMEs.

The Ntabelanga-Lalini Ecological Infrastructure Project (NLEIP) project in the Tsita sub-catchment of the Umzimvubu, is a flagship project that started off as an environmentally-orientated support initiative for these two dams. It has evolved to become a shining example of true collaboration in the socio environmental landscape.

Besides the work being undertaken by the Department's teams to clear alien invasive species and restore wetlands, community members are assisting with the gathering of critical research data that feeds into web-based online science systems.

The involvement of communities in the protection of the environment, as well as efforts by the Department, through the National Biodiversity Economy Strategy, to transform protected areas for the benefit of local communities through unlocking the economic potential thereof remains a key programme. In the past year, all stakeholders and partners joined the Department at the 3rd Biodiversity Economy Indaba to take stock of the progress made on the partnership between protected areas and local communities, as well as the transformation of the wildlife, bioprospecting and tourism sectors

Biodiversity is globally recognised as a basis for economic growth and sustainable development. The environmental sector is ideally placed to increase the ownership percentage of black women, youth and communities in the economy through the identification of economic opportunities associated with the sustainable use of our diverse range of natural resources or biodiversity.

In the past year, the Department's Youth Employment Programme has contributed to eliminating unemployment through the Youth Employment Programme, which comprises the Youth Environmental Services programme; Municipal Support Programme; the Mass Training Programme; and FemPowerment.

Through the Municipal Support Youth Programme being implemented in partnership with municipalities and relevant public entities, young people are to be placed in participating local municipalities where they will be working as waste administrators, street cleaners, air quality monitors, greening of schools and maintenance of recreational parks. Youth employed in this programme will be trained and mentored to enable them to contribute to the much needed provision of basic services.

The development of the recycling economy is promoted through the Waste Management Act and the National Environmental Management: Waste Amendment Act (NEMWAA). The NEMWAA provides for a National Pricing Strategy for waste management charges, the creation of the Waste Management Bureau to oversee the implementation of Industry Waste Management Plans (IndWMPs), including the management and the disbursement of revenue collected from waste management charges.

The adoption and development of the Circular Economy is part of the government's commitment to sustainable development, particularly Sustainable Development Goal 12 on Sustainable Consumption and Production. The Department has prioritised tyres, paper and packaging, lighting and electrical, and electronic waste as the four waste streams requiring industry waste management plans.

The transition to a Circular Economy encompasses all economic actors from manufacturers to end users and aims to create value while preserving natural capitals by using fewer limited natural resources. It is part of the move internationally to turn waste into opportunity, thus uplifting the lives of the disadvantaged while protecting the environment and growing the economy.

I am pleased to present the 2017/18 Annual Report.



**Barbara Thomson, MP**

Deputy Minister of Environmental Affairs



**Ms Nosipho Ngcaba**  
Director-General

## REPORT OF THE ACCOUNTING OFFICER

### OVERVIEW OF THE MANDATE AND OPERATIONS OF THE DEPARTMENT

The legal mandate and core business of the Department of Environmental Affairs is to manage, protect and conserve South Africa's environment and natural resources. The mandate is informed by Section 24 of the Constitution of South Africa, which affords everyone the right to (a) an environment that is not harmful to their health or well-being; and (b) to have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures.

To give effect to these Constitutional environmental right and the need for sound environmental management and sustainable development, the Department has over a period of time developed a comprehensive environmental management legislative/regulatory framework. These regulatory framework consists of acts of parliament (environmental laws), regulations, policies, norms and standards and other regulatory tools which are aimed at promoting sound environmental management practices in order to protect and conserve the environment for the benefit of current and future generations.

In addition to the development, implementation and on-going review of a progressive regulatory framework for sound environmental management, other critical environmental management interventions by the Department include raising awareness on key environment issues and promoting a culture of environmental activism among ordinary citizens, building capacity within the sector

and establishing and strengthening national, regional and global partnerships to address shared environmental challenges.

The long term vision of the Department is to have "a prosperous and equitable society living in harmony with our natural resources" as outlined in our medium term strategic plan. To support the achievement of this vision, the department has identified five strategic goals which are as follows:

- Environmental economic contribution optimised
- Environmental/ ecological integrity safeguarded and enhanced
- Social transformation within our communities
- Global agenda influenced and obligations met
- A capable and efficient department

The Department is structured into seven Programmes as outlined in the performance progress included in Part B of this annual report. The seven different programmes and their purposes are reflective of the different focus areas and subsectors of environment management. The objective of the current programme structure is to ensure that specific attention is given to each focus area of our mandate whilst acknowledging the interrelationship and ensuring an integrated approach.

## **Brief overview of the performance of the Department against pre-determined objectives and the challenges**

I am pleased to present the Department's Annual Report for the 2017/18 financial year. In 2014 at the beginning of the current five year Medium Term Strategic Framework (MTSF) period the Department set out its own Strategic Plan which outlined the key deliverables and programmes it intended to focus on during the 2014-2019 term of Government. The 2017/18 financial year provided another opportunity during which we needed to fast-track implementation of our key programmes in line with our 5 year Strategy as we get closer to the end of the current term of Government.

The overall performance of the Department for the financial year under review is one that Management is generally pleased with as our achievement are getting us closer to the attainment of our medium term goals. In the process of implementing our plans and our programmes the Department continues to face challenges owing to the resource limitations resulting from the current unfavourable economic climate and the budget cut from the National Treasury.

The approved Annual Performance Plan of the Department of Environmental Affairs for the 2017/18 financial year included a total of 143 annual targets across the seven Programmes. The Department achieved a total of 115 of these planned 143 annual targets which translated into an overall 80% achievement of the predetermined objectives. Thirty-seven (37) of these 115 targets were achieved and exceeded (32%). The remaining 28 (20%) targets were not achieved. Nineteen (19) of these 28 targets were partially achieved – i.e. significant progress was made towards the annual target even though the progress was still short of the actual planned output. The overall progress on the remaining other 6 targets was generally delayed by a significant margin and performance was far from the planned output.

The detailed performance report provide specific details with regard to factors which cause the delays on the non-achieved target and the corrective interventions which Management has identified in each area of work. The interventions are currently under implementation.

A detailed performance progress report against all the planned targets for the year is contained in the audited report in Part B of this annual report (page 16 to 53):

## **THE SIGNIFICANT PROJECTS AND/OR EVENTS FOR THE 2017/18 FINANCIAL YEAR:**

The department hosted the following national event to, celebrate/commemorate key international environment days raise environmental awareness and engage stakeholders within the environment sector.

### **CELEBRATION OF INTERNATIONAL ENVIRONMENT DAYS:**

#### **World Environment Day and World day to Combat Desertification (WDCD)**

As part of the Environment Month, the Department hosted and celebrated the 2017 World Environment Day and World Day to Combat Desertification on 15 June 2017 at Makhuduthamaga Local Municipality in the Limpopo Province. The Day is the United Nations' principal vehicle for encouraging worldwide awareness and action for the environment. World Environment Day (WED) is the biggest, most globally celebrated day for positive environmental action. The theme for WED 2017 was 'Connecting People to Nature'.

As a party to the United Nations to Combat Desertification (UNCCD), South Africa through the Department of Environmental Affairs (DEA) as the focal point of the UNCCD coordinate and celebrate the WDCD every year since ratifying the Convention. The Day is observed to promote public awareness relating to international cooperation to combat desertification and the effects of drought. This year the WDCD was celebrated with WED on 15 June 2017 under the theme "Our home, Our land, Our future" which looked closely at the important linkage between migration and land degradation by showcasing how local communities could build the resilience against existing multi-fold development challenges through combating desertification and land degradation.

#### **International Coastal Clean-up Day**

The Department in partnership with PlasticsSA celebrated the International Coastal Clean-up Day on 16 September 2017 at the Durban Beachwood Mangroves, in Durban, KwaZulu/Natal. The aim was to increase an awareness of the social, environmental and economic benefits of recycling. During this time, communities were encouraged, various schools and businesses involved to clean-up the areas where they work, live and play by collecting the litter and ensuring that it gets recycled.

#### **World Wildlife Day**

Celebrations were held at the OR Tambo International Airport on 03 March 2018 in Gauteng. The theme was "Listen to the Young Voices". Given that almost one quarter of the world's population is aged between 10 and 24, vigorous efforts are made encourage young people, as the future leaders and decision makers of the world, to act at both local and global levels to protect endangered wildlife. World Wildlife Day 2017 encourages youth around the world to rally together to address ongoing major threats to wildlife including habitat change, over-exploitation or illicit trafficking. Youth are the agents of change.

#### **Marine Week**

An event was held on board the SA Agulhas II on 04-06 October 2017, addressed by Minister Molewa to see off DEA researchers going on the IIOE-2 research cruise. The event was attended by staff, researchers from partner institutions and the media. Schools were also visited in the coastal provinces.

As part of National Marine Week, 10 journalists travelled with DEA from Cape Town to Durban on the SA Agulhas II. They were briefed on a number of marine activities, such as, the SA Agulhas II, Southern Ocean presence, IIOE-2 voyage, marine pollution, Marine Protected Areas, Alien Invasive Species, e.g., mice problem on Marion Island; Compliance and enforcement in the marine environment and Operation Phakisa.

### **HOSTING OF CONFERENCES / STRATEGIC MULTI STAKEHOLDER ENGAGEMENTS:**

#### **Chemicals and Waste Economy Phakisa**

The Department hosted the Chemicals and Waste Economy Phakisa on 24 July 2017 – 25 August 2017 in Limpopo and North West. The purpose of the delivery laboratory is to develop systematic, detailed, and costed implementation plans for initiatives (Chemicals Management Economy, Municipal Solid Waste 3R Economy and Industrial Waste 3R Economy) that will catalyse the growth and developmental impact of the chemicals and waste sector as a strategic priority defined in the National Development Plan.

### Chemicals and Waste Economy Phakisa Municipal Indaba

DEA hosted the Chemicals and Waste Economy Municipal Indaba on 25-26 October 2017 at Destiny Hotel, Ekurhuleni ICC, Kempton Park, Gauteng. The theme was “to promote waste minimisation initiatives, with emphasis on industrial efficiency and increased recycling as part of the Industrial Policy Action Plan”. The commitment to invest in waste management projects that divert waste from landfill sites through employment creating initiatives is further emphasised in the New Growth Path and the National Development Plan.

### 7th Environmental and Enforcement

7th Environmental and Enforcement on 05-09 November 2017 in Nelspruit, Mpumalanga. This year's biennial ECEL was convened under the theme: “People, Purpose, Passion: the Pathway to EMI Success,” bringing together local and international environmental management authorities to deliberate on various strategies to deal with environmental contraventions in South Africa. The Green Scorpions are a network of environmental compliance and enforcement officials from national, provincial and municipal government. It is these EMIs that are tasked with ensuring the implementation of, and adherence to specific pieces of national environmental legislation.

### Biodiversity Economy Indaba

The Biodiversity Economy Indaba was hosted on 07-10 March 2018 at the East London International Conference Centre, Eastern Cape. The 3rd BEI, which was held under the theme “Entrepreneurs meets investors, for a thriving and inclusive biodiversity economy”, was aimed at matching the various stockholders with aspirant investors and related markets within and outside South Africa. The Indaba brought together multiple and diverse stakeholders in the biodiversity economy, including the hunting and game farm sectors and the bioprospecting, natural products and bio-trade industries. In recent years, the biodiversity economy, which is an important contributor to job creation, has shown a constant annual growth of six percent.

## OVERVIEW OF THE FINANCIAL RESULTS OF THE DEPARTMENT

### Departmental receipts

Departmental receipts	2017/18			2016/17		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
Sale of goods and services other than capital assets	3 693	3 155	538	2 790	3 520	(730)
Fines, penalties and forfeits	75	1 775	(1 700)	2 180	2 240	(60)
Interest, dividends and rent on land	59	61	(2)	91	122	(31)
Sale of capital assets	300	200	100	59	86	(27)
Financial transactions in assets and liabilities	28 606	24 053	4 553	12 061	15 212	(3 151)
<b>TOTAL</b>	<b>32 733</b>	<b>29 244</b>	<b>3 489</b>	<b>17 181</b>	<b>21 180</b>	<b>(3 999)</b>

Included in Financial transactions in assets and liabilities (2017/18) is a refund of R8,5m from Walter Sisulu University (WSU) for the establishment and maintenance of the National Pollution Laboratory, 2016/17 an amount of R8, 271m for National Research Foundation (NRF) Salary claim for South African Antarctica Programme (SANAP) scientist's personnel appointed.

## TARIFF POLICY

### Oceans and Coastal Environmental Management

#### Control of vehicles in the coastal zone

These regulations are promulgated under the National Environmental Management: Integrated Coastal Management Act, 2008 (Act No. 24 of 2008) – (ICM Act). Permits are issued in terms of these regulations.



## Dumping at Sea

These Regulations were saved under the repealed Dumping at Sea Act Control Act, 1980 (Act No. 73 of 1980). However, they were revised and promulgated under the National Environmental Management: Integrated Coastal Management Act, 2008 (Act No. 24 of 2008) on 21 July 2017 and permits are issued in terms thereof. Prior to that they were regulated in terms of the Dumping at Sea Control Act.

Fees have not yet been set for permits issued in terms of the ICM Act.

## Commercial Scuba Diving involving listed marine species, Boat-Based Whale watching (BBWW) and White Shark-Cage Diving (WSCD)

The Threatened and Protected Species Regulations in terms of the National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004) were promulgated on 30 May 2017. Fees have been set in terms of these regulations and are collected in terms thereof commencing 2017/18.

Commercial SCUBA Diving business operations within MPA's are managed in terms of the National Environmental Management Protected Areas Act, 2003 (Act No. 57 of 2003) section 48A(2)(b) and 91(3)(a) (NEMPAA). Application fees were previously collected in terms of the Marine Living Resources Act and since transfer of the Marine Protected Areas to the NEMPAA legislations, the fees are now collected in term of NEMPAA.

## Alien Invasive Species Management

Application Fees for permits for the transport or being in possession of Alien Invasive Species are set and collected in terms of the Alien Invasive Species Regulations promulgated in terms of the National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004).

## PROGRAMME EXPENDITURE

Programme Name	2017/18			2016/17		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)	(R'000)
Administration	922 046	922 046	-	828 874	827 902	972
Legal, Authorization & Compliance	169 594	165 441	4 153	154 303	154 303	-
Oceans and Coasts	434 138	428 613	5 525	502 681	502 681	-
Climate Change & Air Quality	295 824	294 887	937	296 403	295 484	919
Biodiversity and Conservation	695 690	692 660	3 030	738 721	738 721	-
Environmental Programmes	3 908 870	3 732 605	176 265	3 805 726	3 766 912	38 814
Chemicals & Waste Management	422 052	353 885	68 167	98 393	94 968	3 425
<b>TOTAL</b>	<b>6 848 214</b>	<b>6 590 137</b>	<b>258 077</b>	<b>6 425 101</b>	<b>6 380 971</b>	<b>44 130</b>

The Department spent R6 590 137 000 of the total allocation of R6 848 214 000 which presents a 96.2% total spending. The 3.8% not spent during the 2017/18 financial year is mainly due to the following:

- Operation Oceans Economy projects slower than anticipated and approval not granted by National Treasury for increased transfer payment to iSimangaliso Wetland Park for the Youth Training Programme (Artisan upskilling and Life guards training).
- Approval not granted by National Treasury for the increased transfer to SANPARKS for the financial contribution towards a beneficiation scheme with regard to the settlement agreement for community land claims at the Kruger National Park.
- Projects that progressed slower than anticipated.

## VIREMENTS

Programme From	Programme To	Amount R'000	% Virement	Reason for Virement
3 Oceans and Coasts	1 Administration	32 132	6.86%	1) Ministerial events in relation to the opening and handing over of completed Expanded Public Works Projects
4 Climate Change & Air Quality		52	0.02%	
6 Environmental Programmes		34 361	0.87%	
7 Chemicals and Waste Management		2 875	0.69%	2) Information Management Services cost related to services to support departmental systems across regions and Cape Town offices 3) Facilities Management cost for Regional Offices and Cape Town new accommodation obtained 4) Communication Services cost in relation to Oceans Economy Operations 5) New Office Accommodation obtained for the Cape Town support staff
<b>TOTAL</b>		<b>69 420</b>		

All virements were applied within the 8% limitation of the PFMA

**Fruitless and wasteful expenditure** – relating to prior year

None

**Future plans and actions of the department**

None

**Public Private Partnerships**

The Department has relocated to its new DEA Green Building head office with effect from 1 August 2014. This signifies a major milestone that effectively marks the beginning of the Operations Phase of the project.

In terms of Schedule 5B to the PPP Agreement, the first six months after the service commencement date (1 August 2014) allows both parties to settle down into the new working environment. This also enabled Imvelo Concession Company (RF) (PTY) LTD (Private Party) to fine tune the building operational systems.

The official operations performance monitoring process started from February 2015, resulting in the full implementation of the payment mechanism as provided for in terms of Schedule 6 to the PPP Agreement. Gross unitary monthly instalment per clause 2.3 has been paid amounting to R144, 343m, Pass-through costs and additional payment amounting to R7, 052m as per Clause 6.24 of Schedule 6 of the PPP Agreement as at 31 March'17. The new DEA Green Building creates a pleasant and conducive working environment that promote productivity across the entire organization.

**The Imvelo Concession Company (Pty) Ltd consists of the following concessionaires:**

- Grinakar/Aveng LTD 30%
- Old Mutual PLC 30%
- Wiphold LTD; and 20%
- Kagiso/Tiso Holdings 20%

**Discontinued activities / activities to be discontinued**

None

## WASTE MANAGEMENT BUREAU

The Waste Management Bureau was created through an act of parliament in 2014. It is a specialist unit within the Department of Environmental Affairs. Further legislation is in draft to establish it as a public entity of the department. Its mandate is to reduce waste streams through recycling and reuse. The functions of the Waste Management Bureau include identification and promotion of best practise for waste minimisation, re-use, recycling and recovery of waste, conduct research, monitor the implementation of industry waste management plans, provide support to and monitor municipalities, other organs of state and industry in the development of waste management plans and the execution of their waste-related mandates, and in certain circumstances implement industry waste management plans and waste-related programmes. In the year under review the Waste Management Bureau took over the implementation of the tyre industry waste management plan following the liquidation of REDISA.

## RECYCLE ENTERPRISE SUPPORT PROGRAMME

The recycling Enterprise support programme was approved by Ministers in August 2015. Its aim is to transform the waste sector through the development of and support for small businesses. The support is in the form of training and mentoring and capital grants. In 2017, 12 beneficiaries were awarded grants to SMMEs involved in waste recovery, collection, sorting and bailing, repurposing of plastic carrier bags, plastics palletisation, and waste tyres to oil processing among other.

### Supply chain management

No unsolicited bid proposals concluded for the year under review

#### Indicate whether SCM processes and systems are in place to prevent irregular expenditure

- SCM Processes and systems are in place such as financial delegations, policies, practice notes and relevant legislations.
- Bid Committees (Specification, Evaluation and Adjudication) are in place and members are appointed in writing
- When invoices are received, they are verified against the checklist to establish irregular expenditure.
- When irregular expenditure is discovered, it is recorded and reported to the relevant authority for formal responses as per the National Treasury practise notes.
- Updated Asset register in place
- Disposal committee in place

#### Challenges experienced in SCM and how they were resolved

- Market research not done regularly, resulting in deviations from the normal procurement processes, e.g. Single Source/Sole Providers/Urgent.
- Solution: National Treasury SCM Instruction note 3 of 2016/17 addressed the challenge.
- Delays in initiation of projects, Bid Evaluation and Adjudication Committees.
- Solutions: Procurement Plan submissions for all projects per branch consolidated and approved for advertisement.
- Project managers not submitting closeout reports and the renewal of contract on time regarding expired contract.
- Solutions: Contract management system has been developed, however, no build in system reminders for expiry of contracts.

### Donations received in kind

None

### Exemptions and deviations received from the National Treasury

None

#### Position paper received on accounting treatment of Expanded Public Works Programme transactions

The EPWP projects are appropriated by National Treasury in the Estimates of National Expenditure as transfer payments, since inception 2001. The Department of Environmental Affairs (DEA) implement these projects over periods longer than one year due to its nature. With the implementation of the

MCS during 2013/14 the Auditor-General started raising the concern of non-compliance with the accounting treatment in line with the MCS and during 2016/17 audit issued an adverse opinion due to their interpretation that the transactions conform to Principal/Agent arrangements. This would require the department to:

- Account for all transactions done by the respective service providers as Goods and Services and Capital expenditure in the books of the department per SCOA items procured;
- Treat all assets and inventory as assets and inventory of the department; and
- Change the appropriation from Transfers and Subsidies to be in line with Goods and Services and Capital Expenditure.

#### As part of the process to obtain clarity from the Office of the Accountant-General the department succeeded to receive a Position Paper dated 17 November 2017. The paper indicated that:

- none of the EPWP contracts are Principal Agent as per the MCS;
- infrastructure projects should be accounted for as Capital Expenditure in order for DEA to record the work in progress and transfer the final asset to the owning entity on completion;
- the Eco-Furniture Programme project to be accounted for as purchase of inventory by DEA; and
- the Green Fund assets and liabilities to be included in the reporting of DEA.

The department amended and provided the Auditor-General with amended AFS in line with the Position Paper on 5 December 2017 and started the aligning of the 2017/18 EPWP treatment accordingly.

The Auditor-General did not provide any feedback other than that a meeting was requested with the Accountant-General. In the meantime the audit processes for the 2017/18 financial year could not start as the previous year was not completed.

During March DEA and the Auditor-General reached agreement that the Engagement letter would be finalised in order to start as time was running out. I signed the Engagement Letter on 15 March 2018 and the Auditor-General started their audit in April 2018.

The Acting Accountant-General recalled the Position Paper after her meeting with the Auditor-General and issued a second Position Paper dated 30 April 2018.

On 29 May 2018 a meeting realised between the Auditor-General, Accountant-General and the department to address all parties on the interpretation and application of the Position Paper and its implication. Staff from the Office of the Accountant-General visited the department on 30 May 2018 and guided the changes required from the final Position Paper before it being submitted on 31 May 2018.

The Auditor-General continued the 2017/18 annual financial statements audit in a manner still in line with their 2016/17 opinion that the EPWP transactions are Principle/Agent arrangements. This is notwithstanding the clarification by the Acting Accountant-General that:

- Transfer payments is when a department funds operational expenditure of its entity;
- If not related to transfers it must be forming part of procurement of Goods and Services or Capital Expenditure; and
- The EPWP transactions is not for goods or services for the benefit of DEA, therefore not Principal/ Agent arrangements.

All findings related to the EPWP will be discussed, after finalisation of the audit, with the Accountant-General to ensure common understanding and interpretation can be derived at going forward.

#### Events after the reporting date

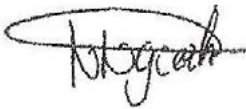
None

#### Other

None

#### Acknowledgements and Conclusion

I wish to express my appreciation to the Department's management team and all of our employees for their continued commitment and hard work in achieving our planned objectives. I also extend my appreciation to the Minister and the Deputy Minister for their leadership and support and all our key stakeholders and partners within the sector for their constructive engagements and cooperation.



Ms Nosipho Ngcaba

Director-General

Date: 31 July 2018

## 6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

#### To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the Annual Report are consistent.

The Annual Report is complete, accurate and is free from any omissions.

The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by the National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

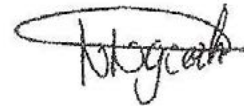
The Accounting Officer is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing, and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department for the financial year ended 31 March 2018.

Yours faithfully



Ms Nosipho Ngcaba

Director-General

Date: 31 July 2018

## 7. STRATEGIC OVERVIEW

### VISION

A prosperous and equitable society living in harmony with our natural resources.

### MISSION

Providing leadership in environmental management, conservation and protection towards sustainability for the benefit of South Africans and the global community.

### DEPARTMENTAL VALUES

We are driven by our Passion as custodians and ambassadors of the environment, we have to be Proactive and foster Innovative thinking and solutions to environmental management premised on a People centric approach that recognises the centrality of Batho-Pele, for it is when we put our people first that we will serve with Integrity, an important ingredient for high Performance driven organisation such as ours.

## 8. LEGISLATIVE AND OTHER MANDATES

The mandate and core business of the Department of Environmental Affairs is underpinned by the Constitution of the Republic of South Africa and all other relevant legislation and policies applicable to the government, including the Batho Pele White Paper. In addressing the mandate for sound environmental management, the following policies, legislation and regulations have been enacted to give effect to the constitutional environmental rights of all South Africans in its Section 24, which provides a specific definition of the term sustainable development, namely that:

Everyone has the right to an environment that is not harmful to their health or well-being; and to have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that:

- i. Prevent pollution and ecological degradation;
- ii. Promote conservation; and
- iii. Secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

In the context of this constitutional definition, the policies, legislation and regulations have been enacted in the form of overarching and enabling Integrated Environmental Management legislation which provides for subsidiary issue specific legislation on biodiversity and heritage resources; oceans and coasts; climate change and air quality management; and waste and chemicals management. There have not been any relevant court rulings that had a significant ongoing impact on the mandate of the department and service delivery obligations.

## INTEGRATED ENVIRONMENTAL MANAGEMENT

### Policies

- White Paper on Environmental Management, 1998.
- National Framework Strategy for Sustainable Development, 2009.
- National Strategy for Sustainable Development 1, 2011.

### Acts of Parliament

**The National Environmental Management Act (NEMA), 1998, (Act No. 107 of 1998)**, which establishes the concepts of participatory, cooperative and developmental governance in environmental management. It establishes principles for environmental management and provides for structures to facilitate these.

**The National Environmental Management Amendment Act, 2003 (Act No. 46 of 2003)**, which DEALs with compliance and enforcement and provides for Environmental Management Inspectors (EMIs). **The National Environmental Management Amendment Act, 2004 (Act No. 8 of 2004)**, which streamlines the process of regulating and administering the impact assessment process. Chapter 5 of the act lays down procedures with which the Minister or MEC, as the case may be, must comply before listing or delisting an activity.

**The National Environment Laws Amendment Act, 2008 (Act No. 44 of 2008)**, which amends the National Environmental Management Act, 1998, so as to clarify any uncertainty in the act; authorises the Minister of Water Affairs and Forestry to designate persons as environmental management inspectors; provides for environmental management inspectors to be regarded as peace officers as contemplated in the Criminal Procedure Act, 1977; and amends the National Environmental Management: Air Quality Act, 2004, so as to substitute Schedule 1 of that act.

**The National Environmental Management Amendment Act, 2008 (Act No. 62 of 2008)**, which empowers the Minister of Minerals and Energy to implement environmental matters in terms of the National Environmental Management Act, 1998, in so far as it relates to prospecting, mining, exploration or related activities; aligns environmental requirements in the Mineral and Petroleum Resources Development Act (MPRDA), Act 28 2002, with NEMA (1998), by providing for the use of one environmental system and by providing for environmental management programmes; and further regulates environmental authorisations.

**The National Environment Laws Amendment Act, 2009 (Act No. 14 of 2009)**, which amends the Atmospheric Pollution Prevention Act, 1965, so as to adjust the penalties provided for in the said act, the Environment Conservation Act, 1989, so as to adjust the penalties provided for in the said act, the National Environmental Management: Air Quality Act, 2004, so as to provide for a processing fee to review a licence, and to include directors or senior managers in a juristic person for the criteria for a fit and proper person.

## BIODIVERSITY AND HERITAGE RESOURCES

### Policies

White paper on conservation and sustainable use of biodiversity, 1997.

## Acts of Parliament

**The World Heritage Convention Act, 1999 (Act No. 49 of 1999)**, which provides for the cultural and environmental protection and sustainable development of, and related activities in a world heritage site.

**The National Environmental Management: Protected Areas Amendment Act, 2009 (Act 15 of 2009)**, which provides for the assignment of national parks, special parks and heritage sites to South African National Parks; makes provision for flight corridors and permission of the management authority to fly over a special national park, national park or heritage site; and provides for the winding up and dissolution of South African National Parks.

**The National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004)**, which significantly reforms South Africa's laws regulating biodiversity. It sets out the mechanisms for managing and conserving South Africa's biodiversity and its components; protecting species and ecosystems that warrant national protection; the sustainable use of indigenous biological resources; the fair and equitable sharing of benefits arising from bioprospecting, including indigenous biological resources; and the establishment of the South African National Biodiversity Institute.

**National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003)**, which provides for the protection and conservation of ecologically viable areas. It further provides for the establishment of a national register of protected areas and the proclamation and management of these areas.

**The National Environmental Management: Protected Areas Amendment Act, 2004 (Act No. 31 of 2004)**, which provides for a national system of protected areas in South Africa as part of a strategy to manage and conserve the country's biodiversity. A significant part of this act is that the state is appointed as the trustee of protected areas in the country.

## OCEANS AND COASTAL ENVIRONMENTAL MANAGEMENT

### Policies

White Paper for Sustainable Coastal Development in South Africa, 2000

### Acts of Parliament

**The National Environmental Management: Integrated Coastal Management Act, 2008 (Act No. 24 of 2008)**, which establishes a system of integrated coastal and estuarine management in the Republic; ensures that development and the use of natural resources within the coastal zone is socially and economically justifiable and ecologically sustainable; determines the responsibilities of organs of state in relation to coastal areas; controls dumping at sea and pollution in the coastal zone; and gives effect to South Africa's international obligations in relation to coastal matters.

**Sea Shores Act, 1935, (Act No. 21 of 1935)**, which declares the President to be the owner of the seashore and the sea within South Africa's territorial water and regulate the granting of rights and alienation thereof.

**Sea Birds and Seals Protection Act, 1973 (Act No. 46 of 1973)**, which provides for control over certain islands and rocks for the protection and conservation of seabirds and seals.

**Dumping at Sea Control Act, 1980 (Act No. 73 of 1980)**, which regulates the control of dumping substances at sea.

**Sea Fishery Act, 1988 (Act No. 12 of 1988)**, most of the powers in terms of this Act were transferred to the Minister of Agriculture, Forestry and Fisheries. The Minister only retains powers in terms of section 38 of the Act.

**Antarctic Treaties Act, 1996 (Act No. 60 of 1996)**, which provides for the implementation of certain treaties relating to Antarctica. The treaty is primarily concerned with the regulation of activities in Antarctica, including territorial claims, research and strict environmental protection in general and the protection of certain identified species such as seals.

**Marine Living Resources Act, 1998 (Act No. 18 of 1998)**, which deals with the long-term sustainable utilisation of marine living resources. Most of the powers and functions in terms of this Act were transferred to the Minister of Agriculture Forestry and Fisheries. The Minister of Water and Environmental Affairs only retained functions pertaining to the Marine Protected Areas, regulatory powers that relates to the protection of the marine environment.

**Prince Edward Islands Act, 1948 (Act No. 43 of 1948)**, which provides for the confirmation of the annexation to the Union of South Africa of the Prince Edward Islands, and for the administration, government and control of the said islands.

## CLIMATE CHANGE AND AIR QUALITY MANAGEMENT

### Policies

White Paper on National Climate Change Response, 2011.

### Acts of Parliament

**The National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004)**, which reforms the law regulating air quality in order to protect the environment by providing reasonable measures for the prevention of pollution and ecological degradation and for securing ecologically sustainable development; and provides for national norms and standards regulating air quality monitoring.

**South African Weather Service Act, 2001 (Act No. 8 of 2001)**, which established the South African Weather Service; determined its objects, functions and method of work, the manner in which it is to be managed. It governs and regulates its staff matters and financial affairs.

## CHEMICALS AND WASTE MANAGEMENT

### Policies

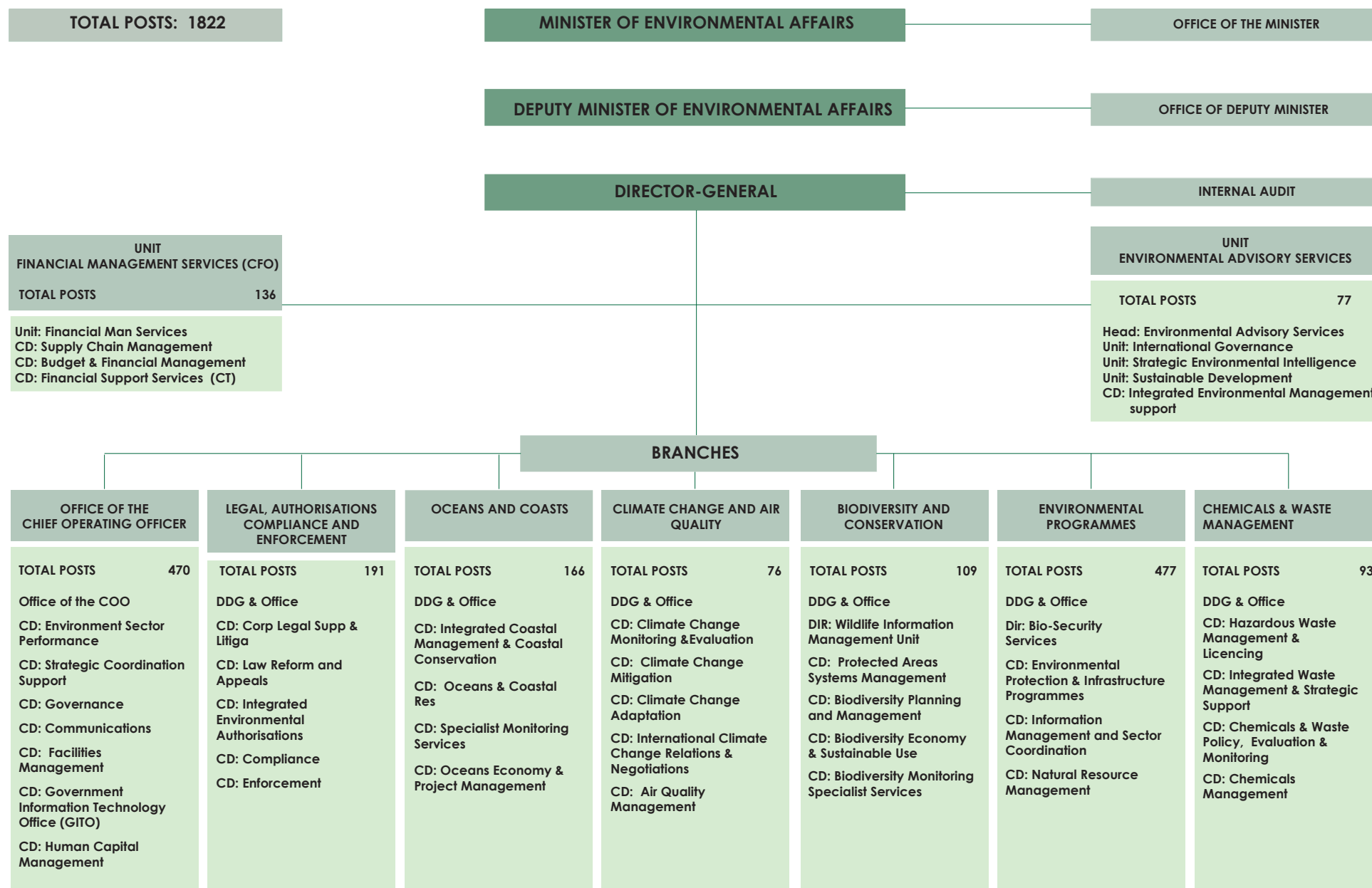
White Paper on Integrated Pollution and Waste Management, 2000.

### Acts of Parliament

**The National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008)**, which reforms the law regulating waste management in order to protect health and the environment by providing reasonable measures for the prevention of pollution; provides for national norms and standards for regulating the management of waste by all spheres of government; and provides for the licensing and control of waste management activities.



## 9. ORGANISATIONAL STRUCTURE



## ENTITIES REPORTING TO THE MINISTER

NAME OF ENTITY	LEGISLATIVE MANDATE	FINANCIAL RELATIONSHIP	NATURE OF OPERATIONS
South African National Biodiversity Institute (SANBI)	SANBI was established in terms of the National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004)	Transfer payment	The mandate of SANBI is to play a leading role in South Africa's national commitment to biodiversity management. In partnership with the Department of Environmental Affairs and the biodiversity sector, SANBI is tasked to lead the biodiversity research agenda; provide knowledge and information; give policy support and advice; manage gardens as windows to our biodiversity for leisure, enjoyment, spiritual upliftment and education; and engage in ecosystem restoration and rehabilitation programmes and best-practice models to manage biodiversity better
iSimangaliso Wetland Park Authority	iSimangaliso Wetland Park ("Park") was inscribed as South Africa's first world heritage site in December 1999 as an area of exceptional and outstanding universal heritage significance	Transfer payment	The iSimangaliso Wetland Park Authority in recognition of its exceptional natural beauty and unique global values, is responsible for managing the affairs of the Park. The 332 000 hectare Park contains three major lake systems, eight interlinking ecosystems, 700 year old fishing traditions, most of South Africa's remaining swamp forests, Africa's largest estuarine system, 526 bird species and 25 000 year-old coastal dunes – among the highest in the world. iSimangaliso also contains four wetlands of international importance under the Ramsar Convention
South African Weather Service (SAWS)	SAWS was established in terms of the South African Weather Service Act, 2001 (Act No. 8 of 2001)	Transfer payment	The mandate of SAWS is to provide useful and innovative weather, climate and related products and services for all South African and the African Continent through the following: Enhancing observational data and communications networks; Effectively developing and managing talent within the sector; Enhancing collaborative partnerships and effectively disseminating weather services products to the users; Utilising cutting edge technology to convert data into meaningful products and services for risk mitigation; Advancing the science of meteorology, research and relevant applications; and enhancing fiscal discipline and resource mobilisation to ensure sustainability
South African National Parks (SANParks)	SANParks was established in terms of the National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003)	Transfer payment	The mandate of SANParks is to oversee the conservation of South Africa's biodiversity, landscapes and associated heritage assets through a system of national parks. The core areas which provide a fundamental basis of the SANParks' mandate are; conservation management through the national parks system, constituency building and people focused eco-tourism management

## PART B

### 1. AUDITOR-GENERAL'S REPORT ON PREDETERMINED OBJECTIVES

1. 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.
2. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. 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.
3. 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 department for the year ended 31 March 2018:

Programmes Pages in annual performance report

Programme 3 – Oceans and Coasts: 33 – 38

Programme 4 – Climate change and Air quality: 39 – 42

Programme 6 – Environmental Programmes: 47 – 50

4. 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.
5. The material findings in respect of the usefulness and reliability of the selected programmes are as follows:

#### PROGRAMME 3 – OCEANS AND COASTS

##### Ocean and coastal management strategies and plans developed and implemented

6. I was unable to obtain sufficient appropriate audit evidence to support the reason for the variance between the planned target of one sub-regional management plan developed and the achievement

of sub-regional management plan not developed reported in the annual performance report. This was due to insufficient information recorded by the department to substantiate on the circumstances described. I was unable to confirm the reported reason for the variance by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported reason for the variance.

#### PROGRAMME 4 – CLIMATE CHANGE AND AIR QUALITY

##### National Air Quality Indicator

7. The planned target 1.2 for this indicator did not clearly identify the required level of performance and did not define the period over which data would be collected to calculate the national air quality indicator.

#### PROGRAMME 6 – ENVIRONMENTAL PROGRAMMES

##### Number of Full Time Equivalents created

8. I was unable to obtain sufficient appropriate audit evidence to support the reason for the variance between the planned target of 38 140 Full Time Equivalents (FTEs) created and the achievement of 28 343 FTEs created reported in the annual performance report. This was due to the reasons provided not reflecting internal root causes for the non-achievement of the target. I was unable to confirm the reported reason for the variance by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported reason for the variance.

#### OTHER MATTERS

##### Achievement of planned targets

9. Refer to the annual performance report on pages' 33 – 38 to 39 – 42 to 47 – 50 for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph(s) 33 to 35 of this report.

##### Adjustment of material misstatements

10. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of Programme 3 – Oceans and Coasts and Programme 4 – Climate Change and Air Quality. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

## 2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

### SERVICE DELIVERY ENVIRONMENT

The prevailing economic challenges and the resulting fiscal constraints that the Government continues to experience has an on-going impact in funding the operations of DEA. These challenges require that the Department be more efficient and find innovative ways to deliver on its approved plans and constitutional mandate. The Department has during the financial year under review had to review its existing personnel structure. These resulted in a significant reduction of the number of posts/personnel allocation as it was necessary to abolish some of the vacant posts on the approved establishment and to reprioritise other posts as new vacancies arise. The objective is to make sure that the Department operates within the allocated personnel funds and to accommodate the reduction in the allocation from the National Treasury. The focus is on prioritising critical human resources capacity required for the execution of the core mandate of the DEA and ensuring that we operate with the minimum required capacity for support and general administrative functions. The Department is also working on building and strengthening partnerships with different sectors of society and key stakeholders, including international donor organisation. These collaborations and partnerships are aimed at ensuring that in addition to working together towards common goals, we also ensure that the funding of environment and sustainable development programmes and intervention is not only reliant on public funds but other funding models are explored and optimised.

### SERVICE DELIVERY IMPROVEMENT PLAN

As required in terms of Part III.C.1-2 of the Public Service Regulations, the Department has a comprehensive Service Delivery Improvement Programme which is made up of an approved Service Delivery Charter and Service Delivery Improvement Plan (SDIP) supported by a service standard matrix that focuses on improving governance within the department. The Service Charter is placed at the entrance points in the department. The charter seeks to emphasise our commitment to serving the general public with humility, in line with the government principles of "Batho Pele", which amongst others include exercising courtesy in our dealings with the public, consultation, openness and transparency, access to information and proving value for public resources. A system or mechanism for lodging any complaints relating to the work of the Department is also outlined in the Charter. Compliance with approved service standards is monitored internally on a quarterly basis and reported to Parliament and the general public in the Department's Annual Report.

### MAIN SERVICE AND STANDARDS

MAIN SERVICES	BENEFICIARIES	CURRENT/ACTUAL STANDARD OF SERVICE	DESIRED OF STANDARD OF SERVICE	ACTUAL ACHIEVEMENT
Response to fraud and corruption allegation	Internal Client /Members of the Public	100% (21/21) reported fraud and corruption cases finalised within timeframes.  25 cases received 21 were finalised and 4 outstanding but within time frame	100%	100% (14/14) reported fraud and corruption cases finalised within timeframes
Responding to Presidential Hotline queries on time	Members of the Public	100% (4/4) queries received and all responded to on time	100%	100% (2/2) queries received and all responded to on time
Legitimate invoices from suppliers paid with prescribed timeframes (30 days)	Members of the public	100% (26 597/26 597) invoices paid within 30 days	100%	100% (34 191/34 191) of legitimate invoices from suppliers paid with 30 days
Responding to Parliamentary questions on time	Members of Parliament	100% (79/79) of parliamentary questions and requirements responded to within the timeframes	100%	98% (117/119) of parliamentary questions and requirements responded to within the timeframes
Responding to complaints and incidents on time	Members of the public	93% (211/227) of DEA environmental complaints and incidents responded to in accordance with the set timeframe	92%	97% (193 / 200) of DEA environmental complaints and incidents responded to in accordance with the set timeframe

## MAIN SERVICE AND STANDARDS (CONTINUED)

MAIN SERVICES	BENEFICIARIES	CURRENT/ACTUAL STANDARD OF SERVICE	DESIRED OF STANDARD OF SERVICE	ACTUAL ACHIEVEMENT
Issuing of Environmental Authorisations	<ul style="list-style-type: none"> <li>• Developers</li> <li>• Environmental Assessment Practitioners</li> <li>• Industry</li> <li>• Interested and Affected Parties</li> </ul>	93% (270/292) EIA applications finalised within timeframes	98%	96% (187/195) of EIA applications finalised within timeframes
Finalisation of appeals	Internal client	84% (76/91) appeals received finalised within timeframes	85%	64% (87/137) appeals received finalised within timeframes
Processing of Litigation matters	Internal Clients	100% (302/302) litigation matters dealt with in terms of court rules or by agreement between litigating parties	95%	100% (420/420) litigation matters dealt with in terms of court rules or by agreement between litigating parties
Responding to PAIA requests on time	Members of the Public	100% (63/63) compliance with the implementation of PAIA	95%	100% (60/60) compliance with the implementation of PAIA
Issuing of Marine Research Permits	Industry/ Government Entities	97% (64/66) of permits issued within timeframe	100%	93% (85/91) of Marine Research Permits issued within timeframe
Issuing of Off-road Vehicle permits (ORV)	Researchers working on protected species and within Marine Protected Areas (MPA's)	98% (62 /63) of permits issued within timeframe	100%	99% (78/79) of Off-road Vehicle permits issued within timeframe
Issuing of dumping permits	Applicants	100% (9/9) of permits issued within timeframe	100%	100% (10/10) of dumping permits issued within timeframe
Issuing of permits for activities within marine protected areas	Applicants (film producers/scuba operators/research organisations)	93% (90/97) of permits issued within timeframe	100%	(131 / 131) of permits issued within timeframe
Issuing of Atmospheric Emission Licences	Applicants	75% (3/4) Atmospheric Emission Licenses with complete applications processed and issued within legislated timeframes	100%	100% (4/4) Atmospheric Emission Licenses with complete applications processed and issued within legislated timeframes
Issuing of GMO applications	<ul style="list-style-type: none"> <li>• Traders</li> <li>• Exporters or importers of GMO listed Species</li> <li>• Scientific Institutions</li> <li>• Government Departments and Parastatals</li> </ul>	100% (33/33) of received GMO permits applications assessed for environmental compliance within prescribed time frame	100%	100% (27/27) of received GMO permits applications assessed for environmental compliance within prescribed time frame

## MAIN SERVICE AND STANDARDS (CONTINUED)

MAIN SERVICES	BENEFICIARIES	CURRENT/ACTUAL STANDARD OF SERVICE	DESIRED OF STANDARD OF SERVICE	ACTUAL ACHIEVEMENT
Issuing of CITES permits	<ul style="list-style-type: none"> <li>• Traders</li> <li>• Exporters or importers of CITES listed species</li> <li>• Scientific Institutions</li> <li>• Government Departments and Parastatals</li> </ul>	100% (138/138) of received CITES applications assessed and permits issued within prescribed timeframe	100%	100% (56/56) of received CITES applications assessed and permits issued within prescribed timeframe
Issuing of TOPS permits	<ul style="list-style-type: none"> <li>• Traders</li> <li>• Exporters or importers of TOPS listed species</li> <li>• Scientific Institutions</li> <li>• Government Departments and Parastatals</li> </ul>	100% (83/83) of received TOPS applications assessed and permits issued within prescribed timeframe	100%	100% (61/61) of received TOPS applications assessed and permits issued within prescribed timeframe
Issuing of BABS permits	Applicants	100% of BABS applications assessed consisting of a total of 41/41 applications. 3 permits were issued within prescribed timeframe	100%	100% (22/22) BABS permit applications were assessed and outcomes of the assessment communicated with the permit applicants. 2 permits were issued within prescribed timeframe
Issuing of Waste Management Licences	Applicants	64% (18/28) Waste Management Licences were issued within legislated timeframes	80%	75% (18/24) Waste Management Licences were issued within legislated timeframes
Issuing of Remediation orders	Areas (MPA's)	94% (134/143) processed within timeframes	80%	82% (106/130) Remediation Orders were issued within timeframes

## BATHO PELE ARRANGEMENTS WITH BENEFICIARIES (CONSULTATION ACCESS ETC)

CURRENT/ACTUAL ARRANGEMENTS	DESIRED ARRANGEMENTS	ACTUAL ACHIEVEMENTS
Regular stakeholder consultation events on work of DEA	Maintain current arrangements	16 Public Participation events hosted.
Media relations programme		A total of 132 media statements and speeches were published (108 statements and 24 speeches).
Facilitation of environmental campaigns		4 Environmental awareness campaigns implemented.



## SERVICE DELIVERY INFORMATION TOOL

CURRENT/ACTUAL INFORMATION TOOLS	DESIRED INFORMATION TOOLS	ACTUAL ACHIEVEMENTS
DEA Website (www.environment.gov.za) DEA Call Centre (086 111 2468) Information centre (walk-in centre) Use of regional and national media (print media, radio and television) Capacity to respond to media queries	Maintain use of current tools	<ul style="list-style-type: none"> <li>A total of 132 media statements and speeches were published (108 statements and 24 speeches).</li> <li>6 Opinion pieces were published.</li> <li>16 Events facilitated including Ministerial events.</li> <li>4 Stakeholder publications were produced and published (Environment Quarterly).</li> <li>88% of Media queries finalised. A total of 337 media queries were received and facilitated during the 2017/18 financial year, of which 298 were completed while only 39 were incomplete resulting in 88% completion rate.</li> <li>114 909 Website visits recorded as per google analytics.</li> <li>32 250 Members of the public visited the information centre.</li> </ul>

## COMPLAINTS MECHANISM

CURRENT/ACTUAL ARRANGEMENTS	DESIRED ARRANGEMENTS	ACTUAL ACHIEVEMENTS
Regular stakeholder consultation events on work of DEA Facilitation of regular environmental campaigns	Maintain current mechanisms	16 Events facilitated including Ministerial events. 4 Environmental awareness campaigns implemented. 100% of queries were resolved as per service delivery standards. A total number of visitors to the Information Centre in this period amounted to 32 250. 100% of matters received and responded to through the Call Centre were resolved within the set service standard of 48 hours. A total of 3 284 requests were received in the Call Centre which consists of 1 551 calls and 1 733 e-mails.

## ORGANISATIONAL ENVIRONMENT

The Department is committed to good corporate governance, accountability and implementation of effective and best management practices. These are important elements in ensuring that we carry out our constitutional mandate in line with good corporate values and principles, and we maintain the confidence and trust of South Africans and all our stakeholders. The Department consistently improves the integrity and reliability of internal systems and processes on the basis of lessons learnt from the outcomes and findings of the Management Performance Assessment Tool (MPAT), an initiative of the Department of Performance Monitoring and Evaluation in the Presidency, as well as internal and external audits.

## KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

There were no major Policy developments and legislative changes finalised for the period under review, however the following regulations were developed and policies drafted:

- Regional engagement strategy for biosafety developed
- Waste Import/Export Regulations finalised and submitted for gazetting for implementation
- Draft Long-term Low GHG Emissions Development Strategy developed
- Draft National Climate Change Adaptation Strategy finalised

### 3. STRATEGIC OUTCOME ORIENTED GOALS

- Environmental Economic Contribution Optimised
- Socially Transformed & Transitioned Communities
- Environmental/ Ecological Integrity Safeguarded & Enhanced
- Global Agenda Influenced & Obligations Met
- A Capable and efficient department

The Department is directly responsible for delivering on, and coordinating the work and priorities outlined in Outcome 10 (Environmental Assets and Natural Resources that are Valued, Protected and Continually Enhanced) of the 12 Government Outcomes, and also make a contribution to other outcomes, mainly Outcome 4 (Decent Employment through Inclusive Economic Growth). The two outcome oriented goals of the department (1. Environmental assets conserved, valued, sustainably used, protected and continually enhanced; and

2. Enhanced socio-economic benefits and employment creation for the present and future generations from a healthy environment) are aligned to the outcome 10 and 4 priorities. Below is a summary of progress made in relation to the two mentioned Outcomes:

#### **Outcome 10: Environmental Assets and Natural Resources that are Valued, Protected and Continually Enhanced**

##### **Sub output 2: Reduced greenhouse gas emissions, climate change and improved air/atmospheric quality:**

The Outcome 10 Delivery Agreement addresses the following key sub outcomes from the National Development Plan (NDP) 2030 Vision namely:

##### **1) Ecosystems are sustained and natural resources are used efficiently;**

On the action to expand the conservation area estate through declaration of state owned protected areas 12.96% land under conservation was achieved (from 12.51%) in the previous financial year.

75% of area of state managed protected areas assessed had a METT score above 67%. With regards to the land under rehabilitation Department of Environmental Affairs (DEA) has achieved 101 760 ha out of the planned annual target of 30 543 ha.

##### **ACTION: AN EFFECTIVE CLIMATE CHANGE MITIGATION AND ADAPTATION RESPONSE;**

Final South Africa's Mitigation System Report which includes the Design and approach phase 2 DEROs (Desired Emission Reduction Outcomes) and Carbon Budgets (2021 – 2025 and 2026 – 2030) has been finalised.

Provincial Climate Change response Strategies have been developed for Gauteng, Northern Cape & Free State, and annual plans for 5 Climate Change Adaptation Sector plans (i.e. Agriculture, Water, Health, Rural Settlement and Biodiversity) have been implemented.

Design of the Climate Change Monitoring and Evaluation web-based platform has been finalised.

#### **Sub Outcome 2: The productive sectors account for a growing share of production and employment**

**Action: Enhanced environmental education; empowerment and job creation (including skills development)**

28 343 Full Time Equivalents (FTEs) were created, 71 945 Work opportunities were created and 2 006 SMMEs were used in environmental programmes

#### **Sub Outcome 4: Workers' education and skills increasingly meet economic needs**

**Action: Implementation of the Environment Sector Skills Plan to address capacity requirements**

100 young learners recruited to participate in the environmental Learnership programme

## 4. PERFORMANCE INFORMATION BY PROGRAMME

### STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

#### PROGRAMME 1: ADMINISTRATION

The purpose of the Programme is to provide leadership, strategic, centralised administration, executive support, corporate services and facilitate effective cooperative governance, international relations and environmental education and awareness. The programme is made-up of six subprogrammes which are as follows: (1) Management (2) Corporate Affairs (3) Environmental Advisory Services (4) Financial Management (5) Office Accommodation (6) Environmental Sector Coordination.

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Equitable and sound corporate governance</b>	Percentage compliance with key legislation and corporate governance requirements	100% compliance with key governance requirements and set timeframes	100 % compliance (as per schedule)	100% Compliance. All DEA quarterly performance progress report submitted to National Treasury and Presidency on time. All DEA Financial Management reports submitted to National Treasury. DEA and Public Entities 2018/19 1st and 2nd draft Annual Performance Plans submitted to Presidency (DPME) and National Treasury on time (31 August 2017 and 30 November 2017, respectively). DEA 2016/17 Performance information of the annual report submitted to AGSA on time (31 May 2017). 2017/18 DG Performance Agreement submitted to OPSC and DPME on time (02 June 2017)	None	None
	External audit opinion	DEA received an unqualified audit report/ opinion from the Auditor General South Africa for 2014/15 financial year	Unqualified audit opinion without any matter	Unqualified audit opinion on DEA annual performance information for 2016/17 financial	Audit report on 2016/17 Financial Statements not finalised due to outstanding issues with Auditor-General (AGSA), Office of the Accounting-General (OAG) on implementation of the Modified cash standards	Engagement process is currently being undertaken with the Auditor-General of South Africa and National Treasury to find a resolution to the outstanding matters
	Percentage expenditure	99.97% expenditure (5 939 569 / 5 943 297)	98 %	96% (6 590 137/ 6 848 214)	Transfer Payments for Expanded Public Works Programme projects delayed due to the 2016/17 audit outcome clarification not cleared. Delays with appointment of EPWP project implementers had an impact on projected expenditure	Improved project planning, appointment of implementers and implementation on time in 2018/19 in order to achieve projected expenditure

**PROGRAMME 1: ADMINISTRATION (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Equitable and sound corporate governance</b>	Percentage of expenditure on affirmative procurement	75% of expenditure on affirmative procurement (R929 710/R1 240 781)	65 %	92% (1 459 553 029.76 / 1 588 070 783.21)	Planned target exceeded with a variance of 42% with no impact on resources earmarked for other priorities	Improved project planning, appointment of implementers and implementation on time in 2018/19 in order to achieve projected expenditure
<b>Value focused funding and resourcing (leveraged public and private sector investments)</b>	Financial value of resources raised from international donors to support SA and African environment programmes	Total resources mobilized for the year: US\$ 88 million	US\$ 10 million raised/ mobilised	Total resources mobilized : USD 121 208 692	Planned target exceeded by US\$ 111 208 692. Exceeding the target did not have any impact on resources earmarked for other priorities. Mobilisation of more funds that estimated is a desired performance	None
	Number of investor projects funded	1 project in the TFCA investment catalogue funded	1 project in the TFCA investment catalogue funded	One project in the Transfrontier Conservation Area (TFCA) investment catalogue funded in the Lubombo TFCA. Construction on the Milibangala site in the Maputo Special Reserve has started	None	None
	DEA Expansion plan approved	N/A	DEA Expansion plan approved	No new focus areas identified for expansion as there is no additional budget for implementation of EPWP Programmes. Development of a Expansion Plan was therefore not required	None	None
<b>Adequate, appropriately skilled, transformed and diverse workforce</b>	Percentage vacancy rate	6.8% (130/ 1896) vacancy rate	8%	7.6% Vacancy rate (139/1823*100)	Progress achieved is below the 8% target and this is a desired performance for the department. This has no impact on resources earmarked for other priorities as the Department fills funded vacancies only	None

**PROGRAMME 1: ADMINISTRATION (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Adequate, appropriately skilled, transformed and diverse workforce</b>	Number of Human Resource Development (HRD) interventions implemented	<b>Planned HRD targets achieved as follows:</b> 100 interns recruited. 73 bursaries issued (30 full time and 43 part time bursaries awarded). 83% (820/990) of WSP implemented	<b>3 Interventions implemented:</b> (100 Interns recruited, 70 bursaries issued; 85% of WSP implemented)	3 HRD Interventions implemented as follows: 100% of WSP implemented (9/9*100). 102 Interns appointed. 30 fulltime bursary and 48 part time Bursary issued	Planned target exceeded with a slight margin/ variance with no impact on resources earmarked for other priorities	None
	Percentage compliance to the Employment Equity targets	56% Women (991/1767)	50 % Women	56% (946/1 684*100)	Planned target exceeded with a variance of 12% with no impact on resources earmarked for other priorities	None
		43% (76/176)	50 % Women in SMS	43% Women SMS (70/164*100)	Lower staff turnover trends over the years and budget cuts on employee compensation resulted in limited vacancies at SMS level to enable achievement of planned annual target of 50% women in Senior Management positions	DEA will continue to fill SMS posts with female candidates as and when new vacancies are created
		91% Blacks (1611/1767)	90 % Blacks	92% (1 544/1 684*100)	Planned target exceeded with a variance of 2% with no impact on resources earmarked for other priorities	None
	Percentage compliance to the Employment Equity targets	2.7% People with Disabilities (48/1767)	2% People with disabilities	2.9% (48/1 684*100)	Planned target exceeded with a variance of 45% with no impact on resources earmarked for other priorities	None
<b>Secure, harmonious, transformed and conducive working environment</b>	Average number of days taken to resolve disciplinary cases	30 misconduct cases finalised in 56.3 average days (1689 / 30 = 56.3 days)	90 days: Misconduct cases	88 average days (1327 days/15 finalised cases)	None	None

**PROGRAMME 1: ADMINISTRATION (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Secure, harmonious, transformed and conducive working environment</b>	Average number of days taken to resolve disciplinary cases	38 grievance cases finalised in 36.07 average days (1371 / 38= 36.07 days)	30 days: Grievance cases	25 average days (988 days/39 finalised cases)	None	None
	Percentage implementation of security risk assessment recommendations	54% (7/13) security risk assessment recommendations implemented	100%	38% (3/8) security risk assessment recommendations have been fully implemented as planned, 3/8 was partially achieved and 2/8 was off target.	Affected office building leased from Department of Public Works and the land lord are required to implement security improvements	Engagement with DPW finalised and the recommended security improvement are at an advanced level of implementation
<b>Efficient and Effective Information Technology services</b>	Number of Funded Master System Plan (MSP) Initiatives	67% achieved on the implementation of MSP initiatives. 4 of the 6 projects achieved successfully and 2 projects work in progress	<b>4 Funded Master System Plan (MSP) initiatives implemented as per schedule:</b> Coordinated Integrated Permitting System (CIPS) Phase 2 modules Implemented. Integrated National Compliance and Enforcement Information System (INCEIS). Electronic Database on National Biodiversity Planning Tools Integrated Environmental Programmes Management System	2 of the 4 Master System Plan (MSP) projects have been fully implemented. The remaining 2 project were delayed and are at different level of implementation	<b>Coordinated Integrated Permitting System (CIPS):</b> Non-performance by SITA and legislative limitations and requirements before the Department can follow a process of appointing another service provider for the project	Agreement reached that SITA be allowed to finalize the priority permits within a set timeframe, failing which DEA will be allowed to go out on open public tender for the appointment of a service provider to develop CIPS.
	Online ocean and coastal information management system developed and implemented	Requirement and architectural design finalised and Map and annual Scope of Work approved. User requirement canvassed. Architectural design finalised. Data inventory and gap-analysis completed	Oceans and Coasts Information Management system refined and 3rd set of decision support tool developed	Oceans and Coasts Information Management system refined and 3rd set of decision support tool developed Harmful Algal Blooms (HABs) DST; Integrated Vessel Tracking (IVT) DST; and Search and Rescue DST (Coastal Operation Viewer)	None	None



**PROGRAMME 1: ADMINISTRATION (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Improved profile, support and enhanced capacity for the environment sector</b>	Number of media statements/speeches issued and opinion pieces published	143 statements/speeches issued	140 statements/speeches issued	132 media statements and speeches were published (108 statements and 24 speeches).	Note: Media statements and speeches prepared and issued are demand based (e.g. based on events held and topical incidents/stories in the media requiring a response). The planned annual target was estimated based on past factors and limited number of events were hosted in 2017/18	None
		16 opinion pieces published	12 opinion pieces published	12 opinion pieces published	None	None
	Number events including Ministerial Public Participation Programme (PPP) hosted	19 Public Participation events hosted	14 Public Participation events hosted	16 events were hosted	Planned target exceeded with a variance of 14% with no impact on resources earmarked for other priorities	
	Number of environmental awareness activities conducted (Learnership, CAPS training and campaigns)	161 teachers trained	<b>2 Interventions:</b> 100 teachers trained	110 teachers trained through Fundisa for Change Programme.	Planned target exceeded with a variance of 10% with no impact on resources earmarked for other priorities	None
	Number of environmental awareness activities conducted (Learnership, CAPS training and campaigns)	4 Environmental awareness campaign implemented	<b>3 Environmental awareness campaigns implemented:</b> Waste Management Campaign. Climate Change. Campaign. Rhino Anti-Poaching Campaign	<b>4 Environmental awareness campaigns implemented:</b> Waste Management Awareness Campaign. Climate Change Awareness Campaign. Rhino Anti-Poaching awareness. Marine Awareness Campaign	Planned target exceeded with a variance of 33% with no impact on resources earmarked for other priorities	None
	Number of Integrated Environmental Management (IEM) training session conducted per annum	8 Integrated Environmental Management (IEM) Sessions conducted	16 IEM training sessions conducted	15 training sessions conducted.	1 Induction training did not take place in Q3 since there were no new officials appointed to be trained	The induction training will be held only every second quarter in the new financial year

**PROGRAMME 1: ADMINISTRATION (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Effective partnership, cooperative Governance and Local Government support</b>	Percentage implementation of the Local government support strategy	74% implementation of planned actions. (37/50) of the planned actions are on target	100% of annual action plan for Local Government Support Strategy implemented	100% (14/14) of annual action plan for Local Government Support Strategy were implemented	None	None
<b>Strengthened knowledge, science and policy interface</b>	Environmental sector evidence- policy interface system in place	Change strategy on R,D&E framework developed	Phase 2 of Change strategy on R,D, E framework implemented (8 change strategy evidence-policy interface interventions)	Phase 2 of Change strategy on R,D, E framework implemented (12 interventions initiated on Phase 2 of Change strategy on R,D, E framework implemented and progress report compiled)	None	None
	Number of environmental sustainability research projects commissioned	1 environmental sustainability policy research project commissioned	1 integrated environmental sustainability systematic review research project commissioned	1 integrated environmental sustainability systematic review research project commissioned and finalised	None	None
<b>Effective knowledge and information management for the sector</b>	Number of environmental information and knowledge management tools developed and implemented	User Requirement Specification (URS) document for the web-based climate change M&E system finalised	Web-based platform of the climate change M&E system developed	Web-based platform of the climate change M&E system developed	None	None
		Pre-screening tool framework developed and service provider appointed. GIS database developed and maintained. Proof of Concept and TORs for GEO portal developed	<b>1 spatial tool developed:</b> 1 sector specific pre-screening applications developed (solar screening)	1 sector specific pre-screening applications developed (solar screening)	None	None
		SA National Environmental Information Meta-Database Phase I – Scoping Project was completed	SA National Environmental Meta-Database Phase 2: SANEIM progress report prepared	<b>SA National Environmental Meta-Database Phase 2:</b> SANEIM progress report compiled	None	None

**PROGRAMME 1: ADMINISTRATION (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Enhanced international cooperation supportive of SA environmental / sustainable development priorities</b>	Number of South Africa's International Environment and Sustainable Development negotiating positions developed and approved	2 Climate change positions for formal international engagements approved (UNFCCC and IPCC )	<b>13 positions approved: 2 Climate change positions:</b> (UNFCCC COP 23; 46 <sup>th</sup> Session of IPCC)	<b>2 Position papers developed and approved:</b> UN Framework Convention on Climate Change (COP 23). 46 <sup>th</sup> Session of Intergovernmental Panel on Climate Change (IPCC)	None	None
		4 Biodiversity positions developed	<b>4 Biodiversity positions developed:</b> (WHC41; UNCCD COP13; CMS COP12; IPBES 6)	<b>4 Biodiversity positions developed:</b> World Heritage Convention 41. UN Convention to Combat Desertification (COP13). Convention on Migratory Species (COP12). Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES))	None	None
		7 chemicals and waste position papers developed	<b>5 Chemical/ Waste Management positions:</b> (Basel, Rotterdam, Stockholm, Montreal MOP and BRS ExCOP)	<b>5 Chemical/ Waste Management positions developed:</b> Basel, Rotterdam, Stockholm, Montreal MOP and BRS ExCOP	None	None
		1 Sustainable development Position developed (High Level Political Forum Position on sustainable development (HLPF)	<b>2 Sustainable development positions:</b> (High Level Political Forum Position on sustainable development (HLPF) and United Nations Environment Assembly (UNEA)	<b>2 Sustainable Development positions:</b> High Level Political Forum Position on sustainable development (HLPF). United Nations Environment Assembly (UNEA)	None	None
	Mandatory international and national reports prepared and submitted within time frame	Draft Third National Communication developed	Third National Communication submitted to the UNFCCC	Third National Communication (TNC) report finalised but not yet submitted to the UNFCCC.	The report is currently going through a cabinet approval process. The TNC report was presented to the Global and Continental Affairs Committee (GCAC) on 22 March 2018. It was approved for presentation to the International Cooperation, Trade and Security (ICTS) cluster meeting which will take place on 10 April 2018	The process will be prioritised and report submitted after Cabinet approval

## PROGRAMME 1: ADMINISTRATION (CONTINUED)

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
Enhanced international cooperation supportive of SA environmental / sustainable development priorities	Mandatory international and national reports prepared and submitted within time frame	<b>1 National reports submitted:</b> London Convention/ Protocol	<b>2 National reports submitted to Convention Secretariat:</b> London Convention/Protocol. Nairobi	<b>2 National reports prepared and submitted to Convention Secretariat</b> ( London Convention/Protocol and Nairobi Convention)	None	None
		Draft Second Biennial Update Report developed	Third Biennial Update Report developed	<b>Draft Third Biennial Update Report developed.</b> Report will be subjected to review process before being finalised and submitted to UNFCCC in December 2018	Service provider appointed as DEA had to seek approval from GEF and UNEP for the additional funding	Draft report chapters are almost finalised. The drafting process will be finalised by end of May 2018
		<b>National reports submitted:</b> Cartagena Protocol; WHC; AEWA; TFCA country report; MAB Programme	<b>2 National reports submitted to DIRCO/ Secretariat:</b> TFCA; CMS	<b>2 National reports submitted to DIRCO/Secretariat:</b> Transfrontier Conservation Areas (TFCA) report Convention on Migratory Species (CMS) report	None	None
		2014/15 NEMA S26 report tabled in Parliament	2016/17 NEMA Section 26 report tabled in Parliament on time	The NEMA Section 26 Report for 2016-2017 was finalised and tabled in Parliament on 26 May 2017	None	None

## SUMMARY OF PROGRAMME PERFORMANCE: ADMINISTRATION

Summary of Programme Performance: The Annual Performance Plan of the Programme for the 2017/18 financial year included 39 planned annual targets. 30 of these planned target were achieved (77%) and 10 (33%) of the achieved 36 targets were exceeded by some margin. The remaining 8 targets of the 39 were partially achieved. The overall planned output was not achieved in full in relation to this 8 targets but significant progress was made. In one performance area the planned target ( 100% implementation of security risk assessment recommendations) was missed by a significant margin. In all areas across all Programmes where the planned targets have been missed, Management has reflected on the challenges which resulted in delays and identified appropriate corrective interventions to be implemented in order to improve performance.

## PROGRAMME 2: LEGAL AUTHORISATIONS COMPLIANCE AND ENFORCEMENT

The purpose of the Programme is to promote the development and implementation of an enabling legal regime and licensing/ authorisation system to ensure enforcement and compliance with environmental law. The programme is made-up of six subprogrammes which are as follows: (1) Legal, Authorisations and Compliance Management (2) Integrated Environmental Authorisations (3) Compliance Monitoring (4) Enforcement (5) Corporate Legal Support and Litigation (6) Law Reform and Appeals.

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Improved compliance with environmental legislation</b>	Percentage of Administrative enforcement actions resulting in compliance	75% (208/277)	70 %	72% (182.5 / 252) of administrative enforcement actions resulting in compliance	Planned target exceeded with a variance of 3% with no impact on resources earmarked for other priorities	None
	Number of administrative enforcement notices issued for non-compliance with environmental legislation	245	220	228 administrative enforcement notices were issued for non-compliance with environmental legislation	Planned target exceeded with a variance of 4% with no impact on resources earmarked for other priorities	None
	Number of criminal cases finalised and dockets handed over to the NPA	31	49	50 cases were handed over to the NPA	Planned target exceeded with a variance of 2% with no impact on resources earmarked for other priorities	None
	Number of environmental authorisations inspected for compliance	158	150	183 authorisations were inspected for compliance	Planned target exceeded with a variance of 22% with no impact on resources earmarked for other priorities	None
	Number of joint compliance and enforcement operations conducted	19	55	79 Joint compliance and enforcement operations were conducted	Planned target exceeded with a variance of 44% with no impact on resources earmarked for other priorities	None
	Number of officials trained in environmental compliance and enforcement	630	320	2 636 officials were trained in environmental compliance and enforcement	Planned target exceeded with a variance of 723% with no impact on resources earmarked for other priorities	None

**PROGRAMME 2: LEGAL AUTHORISATIONS COMPLIANCE AND ENFORCEMENT (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Improved compliance with environmental legislation</b>	Number of interventions implemented in support of the integrated strategic management of Rhino populations	Rhino LAB outcome report	<b>1 Intervention:</b> Annual action plan for protection and management of Rhino populations implemented	<b>Rhino Lab Action Plan implemented:</b> Key interventions implemented in 2017/18 focusing on the following five identified areas of the Rhino Implementation Plan as per the Rhino Lab Outcomes: Law enforcement; Community development; Management of the rhino population (Biological interventions to improve population numbers); Responsive legislative framework; Demand Management.  Implementation of these interventions facilitated in collaboration with ,and driven by respective partners including National and Provincial Conservation Authorities , and members of the security cluster (SAPS, National Prosecuting Authorities, Department of Constitutional Development and Justice , Department Defence)	None	None
<b>Coherent and aligned multi-sector regulatory system &amp; decision support across government (as reflected in the Policy Initiatives on the Strat Plan)</b>	Number of interventions for streamlining environmental authorisation/ management developed	NEMA/SEMA Law reform concept document developed	<b>1 legislative intervention:</b> Draft NEMA/SEMA alignment proposal document developed	Draft NEMA/SEMA alignment proposal document developed	None	None
		N/A	<b>1 tool developed:</b> Draft Minimum Environmental requirements for preparation of SDFs for incorporation into SPLUMA developed	Draft Minimum environmental requirements developed	None	None
		SIP 10 Electricity Transmission final corridors identified	<b>2 Strategic assessment finalised:</b> Electricity Grid (SIP 10); Infrastructure EMPR finalised for gazetting for comments	Electricity Grid (SIP 10) Infrastructure EMPR finalised for gazetting for comments	None	None
		N/A	Management plan for SKA (SIP 6) finalised for gazetting for comments	Square Kilometre Array (SKA) management plan finalised	None	None

## PROGRAMME 2: LEGAL AUTHORISATIONS COMPLIANCE AND ENFORCEMENT (CONTINUED)

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Coherent and aligned multi-sector regulatory system &amp; decision support across government (as reflected in the Policy Initiatives on the Strat Plan)</b>	Environmental sustainability policy action plan implemented and reviewed	Environmental sustainability policy action plan developed	Environmental sustainability policy action plan implemented (Phase1- 12 interventions)	Environmental sustainability policy action plan implemented (Phase 1 - 12 interventions). 18 policies reviewed and analysed; 8X National policies; 6X Provincial policies; 4X Local Municipal policies	None	None

### SUMMARY OF PROGRAMME PERFORMANCE: LEGAL AUTHORISATIONS COMPLIANCE AND ENFORCEMENT

Summary of Programme Performance: The Annual Performance Plan of Programme 2 included 12 annual targets and all of the planned targets were achieved (100%). A total of 6 (50% of the 12 targets were achieved and exceeded.



### PROGRAMME 3: OCEANS AND COASTS

The purpose of the Programme is to promote, manage and provide strategic leadership on oceans and coastal conservation. The programme is made-up of five sub programmes which are as follows: (1) Oceans and Coasts Management (2) Integrated Coastal Management (3) Oceans and Coastal Research (4) Oceans Conservation (5) Specialist Monitoring Services.

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Threats to environmental quality and integrity managed</b>	National Coastal Management Programme interventions implemented	Situational analysis report on coastal rehabilitation developed	Draft National Coastal Assessment baseline study report compiled	Draft National Coastline Assessment baseline study report completed	None	None
		Final draft of the National Norms and Standards developed	Assessment and Prioritisation Report on the Establishment of coastal management lines in National Parks compiled	Assessment and Prioritisation report of National Parks for the establishment of Coastal Management Lines has been compiled	None	None
	Ocean and Coastal Management measures and tools developed for effective coastal water quality management	National review of coastal effluent disposal completed	Coastal water quality guidelines developed for 1 end user category (natural environment)	Coastal Water quality guidelines were developed for the Natural Environmental and Mariculture.	Coastal Water quality guidelines developed include guideline for one more end user category (Mariculture) in addition to the planned guidelines for the Natural Environment end user. Achievement of the reported progress had no impact on resources earmarked for other priorities as the work done using existing internal human resource capacity. The additional information required to update the mariculture use Water Quality Guideline was not extensive and it was therefore possible to compile the guideline quicker than initially anticipated at the start of the project	None

**PROGRAMME 3: OCEANS AND COASTS (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Threats to environmental quality and integrity managed</b>	Ocean and coastal management strategies and plans developed and implemented	Draft Antarctic strategy developed ( first part of strategy – Report on Economic Study)	Draft Antarctic Strategy submitted to Cabinet for approval	Draft Antarctic Strategy not yet submitted to Cabinet for approval. Draft strategy presented at the Economic, Sectors, Employment and Infrastructure Development Cluster (ESEID), MINTECH and Global and Continental Affairs Committee (GCAC); and all these forums endorsed the strategy with inputs to be incorporated	GCAC recommended that the Strategy be tabled at International, Cooperation, Trade, and Security Cluster (ICTS) subject to agreement being reached with DIRCO	Date previously arranged for the presentation to the ICTS Cluster 13 March 2018 and had to be postponed because DIRCO asked for time to provide written comments by Wednesday 21 March. DIRCO inputs still outstanding
		National Framework on Marine Spatial Planning approved	Marine Spatial Bill (MSP) submitted to Parliament for approval	Marine Spatial Bill (MSP) was submitted to Parliament for approval	None	None
		N/A	1 sub-regional management plan developed	Sub-regional management plan not developed	There were delays in receiving the information from sector departments regarding the development of sub-regional management plan	Meetings held and continuous engagements with Sector departments (Navy and Defence Department of Mineral Resources, Department of Tourism, Department of Transport and Department of Agriculture, Forestry and Fisheries) contributing to the development of sub-regional management plan to fast track the process in 2018/19 financial year

**PROGRAMME 3: OCEANS AND COASTS (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Strengthened knowledge, science and policy interface</b>	Marine top predator Population estimates and ecological studies Undertaken (including climate change)	Population estimates undertaken for all the 12 birds species plus 1 new species Southern Ocean Species (Rock Hopper Penguin	Population estimates of 8 mainland seabird breeding species and 1 Sub-Antarctic seabird species conducted	Population estimates completed for: 12 mainland seabird breeding species and 1 Sub-Antarctic seabird species conducted	Population estimates completed on four additional mainland seabird breeding species than the actual planned annual target of 12 species. Achievement of the reported progress had no impact on resources earmarked for other priorities as the work done using existing internal human resource capacity. The work is undertaken at remote areas of the coast and/or on uninhabited islands and the additional seabird counts is made possible by favourable working conditions (unpredictable) during the fieldwork which allows the staff to maximise the use of their time	None

**PROGRAMME 3: OCEANS AND COASTS (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Strengthened knowledge, science and policy interface</b>	Marine top predator Population estimates and ecological studies Undertaken (including climate change)	100% (18 out of 18) seal pup colonies counts completed	Survey of 15 seal pup colonies conducted (large scale)	Survey of seal pups successfully undertaken on 21 colonies and report compiled	Survey of seal pups successfully undertaken and report compiled on 6 additional colonies that the actual planned annual target of 15 colonies.  The survey work is conducted on specific targeted areas using the same allocated human and financial resources. The survey on additional number of colonies is as a result of increasing numbers of small colonies, as well as favourable survey/ weather conditions during the survey periods	None
		2 whale cruises conducted	1 top predator ecological study conducted (sharks)	Top predator ecological study conducted on Dolphin distribution at Plettenberg bay	None	None
	Ocean and coast research, survey and monitoring projects undertaken	South African National Plankton Monitoring Protocol (SAMPoMP) completed	Plankton annual monitoring along South Coast of South Africa	Annual Plankton Monitoring report produced from data collected in Quarter 1 & 3 cruises	None	None
		Terms of reference for MPA Effectiveness study finalised	MPA Effectiveness Study conducted (Annual Plan)	Marine Protected Area (MPA) Effectiveness Study conducted	None	None
		One survey of a new priority habitat and two areas re-surveyed	3 Priority habitats surveyed	<b>A total of 5 surveys were undertaken:</b> 1) Table Mountain MPA surveyed and resurveyed. 2) Survey undertaken of East Coast (South West Indian Ocean) 3) Survey undertaken on the Orange River Estuary, 4) Intergrated Ecosystem Program (IEP), 5) Cape canyon surveyed	Planned target exceeded with a variance of 67% with no impact on resources earmarked for other priorities	None

**PROGRAMME 3: OCEANS AND COASTS (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Strengthened knowledge, science and policy interface</b>	Ocean and coast research, survey and monitoring projects undertaken	3 moorings deployed along South East Atlantic Ocean (SAMBA Oceanographic Line) 2 shallow moorings in ASCA	2 Moorings deployed along SAMBA (South West Coast Atlantic) Oceanographic Observation Line	5 Moorings deployed along SAMBA (South West Coast Atlantic) Oceanographic Observation Line	Planned target exceeded with a variance of 150% with no impact on resources earmarked for other priorities	None
		4 deep moorings deployed along South West Indian Ocean (ASCA Line)	1 Mooring deployed along ASCA (South East Coast Indian) Oceanographic Observation Line	Equipment for one mooring prepared for deployment	Ship availability. SA Agulhas was taken into the drydock for major service and no alternative ship could be secured	The cruise for deployment of outstanding moorings undertaken in the first quarter of 2018/19
		The South African Science Plan for the Second International Indian Ocean Expedition (IIOE2) finalised	First multidisciplinary Indian Ocean Research Cruise undertaken as component of IIOE2	First multidisciplinary Indian Ocean Research Cruise undertaken as component of IIOE2 in October to November 2017 and a draft Cruise Report was compiled	None	None
	Number of peer-reviewed scientific publications (including theses and research policy reports )	26 scientific publications peer reviewed	20 peer-reviewed scientific publications	24 peer review publications have been produced	Planned target exceeded with a variance of 20% with no impact on resources earmarked for other priorities	None
	Number of relief voyages to remote stations (to SANAE, Gough and Marion to support Research initiatives in line with Antarctic Treaty prescripts	3 relief voyages undertaken	3 relief voyages undertaken	3 relief voyages undertaken	None	None
<b>Ecosystems conserved, managed and sustainably used</b>	Number of Estuary Management Plans developed	2 Estuarine Management Plans developed (Buffalo River Estuary in East London and Hartenbos estuary in Namaqua district municipality)	1 Estuary Management Plan (EMP) finalised for approval	1 Estuary Management Plan (EMP) finalised for approval	None	None

### PROGRAMME 3: OCEANS AND COASTS (CONTINUED)

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Ecosystems conserved, managed and sustainably used</b>	Percentage of Exclusive Economic Zone under Marine Protected Areas	-4 287,532 sq.km (0.4% of EEZ) maintained as MPAs. 22 MPAs network gazetted for public comments -Consultation on the draft regulations undertaken	18 Marine Protected Areas declared	18 Marine Protected Areas not declared	Engagements with Department of Mineral Resources, Publishers Association of South Africa and Marine Protected Areas Technical Team undertaken but no consensus yet	Submission of Cabinet memorandum with recommendations
	Policy on Boat-based Whale Watching (BBWW) and White Shark Cage Diving (WSCD) developed and implemented	Draft Policy on Boatbased Whale Watching (BBWW) and White Shark Cage Diving in place	Policy on Boat-based Whale Watching and White Shark Cage Diving approved and permits issued	Policy on Boat-based Whale Watching and White Shark Cage Diving approved and permits issued	None	None
<b>Enhanced sector monitoring and evaluation</b>	State of Environment report on Oceans and Coasts published	Annual report card on key Ocean and coasts indicators compiled	Annual report card on key Ocean and coasts indicators compiled	Annual Report Card on key Ocean and Coasts indicators complied	None	None
	Oceans and Coasts Monitoring and evaluation programme developed and implemented	Water Quality Report of the Port St Johns developed	National Oceans & Coasts Water Quality Monitoring Programme implemented in 9 priority areas for 3 Coastal provinces	National Oceans & Coasts Water Quality Monitoring Programme implemented in 17 priority areas for 3 Coastal provinces.	None	None

### SUMMARY OF PROGRAMME PERFORMANCE: OCEANS AND COASTS

Summary of Programme Performance: The Annual Performance Plan of Programme 3 included a total of 22 annual targets. Eighteen ( 18) of the 22 targets were achieved (82% with 3 of them exceeded (17%). Out of the 4 targets which were not achieved , two were partially achieved ( significant progress was made towards the annual target even though the progress was still short of the actual planned output) and the other two target were missed by a significant margin.

## PROGRAMME 4: CLIMATE CHANGE AND AIR QUALITY

The purpose of the Programme is to improve air and atmospheric quality, lead and support, inform, monitor and report efficient and effective international, national and significant provincial and local responses to climate change. The programme is made-up of seven sub programmes which are as follows: (1) Climate Change Management (2) Climate Change Mitigation (3) Climate Change Adaptation (4) Air Quality Management (5) South African Weather Service (6) International Climate Change Relations and Negotiations (7) Climate Change Monitoring and Evaluation.

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Coherent and aligned multi-sector regulatory system &amp; decision support across government (as reflected in the policy initiatives on the Strategic Plan)</b>	Climate Change Regulatory Framework and tools developed and Implemented	Discussion document for National Climate Change Response Bill in place but not yet published Presentation prepared to be presented in IGCCC before being published	National Climate Change Response Regulatory Framework gazetted for Public Comments	National Climate Change Response Regulatory Framework/ bill developed but not yet published for public comments. Framework has been presented to the Forum of SA Directors-Generals (FOSAD) Economic Sector, Employment , Infrastructure and Development (ESEID) Cluster and recommended for submission to Cabinet Committee and Cabinet for approval	Changes in the cluster and cabinet schedule resulted in the delays in the processing of the framework/ bill for approval for public comments	The legal framework will be tabled at the ESEID Cabinet Committee.
<b>Threats to environmental quality and integrity managed</b>	National Framework for Climate Services developed and implemented	National Framework of Climate Services finalised	Annual plan for National Framework for Climate Services implemented for 4 key climate sensitive sectors	<b>National Framework of Climate Services (NFCS) Annual plan has been implemented for 4 sectors:</b> Workshop on the NFCS and Umngeni Resilient Project early warning held in November 2017 in KwaZulu-Natal; Workshops for NFCS conducted on 26 March in Pretoria; Case study for Umngeni Resilient Project has been developed and shared in the workshop	None	None
	National Climate Change Adaptation Strategy Developed and Implemented	Draft National Climate Change Adaptation Strategy developed	Draft National Climate Change Adaptation Strategy submitted for ministerial consideration	Draft National Climate Change Adaptation Strategy finalised and on-route for submission to Minister	Draft National Climate Change Adaptation Strategy was not finalised on time for it to be with the Minister by the end of the financial year due to human resources capacity constraints within the Branch. By the end of the financial year the strategy was on-route for submission to Minister	The draft strategy is currently being finalised through a consultative process with key stakeholders and Management will submit the final strategy for Minister's consideration before the end of the 2018/19 financial year
	Provincial and Local Government Climate Change Adaptation Programme developed and implemented	Situational Analysis and Needs Assessment (SANAS) finalised	Report on implementation of Provincial Climate Change Situational Analysis and Needs Assessment (SANAS) compiled	Report on implementation of Provincial Climate Change Situational Analysis and Needs Assessment (SANAS) compiled	None	None



**PROGRAMME 4: CLIMATE CHANGE AND AIR QUALITY (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Threats to environmental quality and integrity managed</b>	Number of sector mitigation potential and impact studies conducted	<b>2 studies conducted:</b> Final report on Phase 1 Carbon Sink Atlas produced and the draft sinks atlas (Phase 1) developed Draft user-friendly greenhouse gas mitigation potential analysis model developed	<b>1 study:</b> Draft Mitigation Potential Analysis 2018 update	Draft Mitigation Potential Analysis 2018 updated	None	None
	Number of Climate Change Response Policy interventions implemented	<b>3 Interventions implemented:</b> Terms of reference approved. GIZ is in a process of appointing of the service provider Carbon budgets have been allocated to 9 companies that have submitted sufficient data. Executive Authority approved the publication of the Draft Notice to declare GHG as Priority Pollutants and National Pollution Prevention Plans Regulations for final public comments	<b>4 interventions implemented:</b> 50% of carbon budget PPPs with complete information processed and finalised within timeframes  Final report on projected National greenhouse gas emissions pathways compiled	0% achieved. Pollution Prevention Plans (PPPs) received from 33 companies but not processed within regulated timeframe  A Report "Alternative Greenhouse Gas Emission Pathways For South Africa" has been developed and finalised	Received PPPs were reviewed and many of the plans did not have complete information and follow-up on additional information needed to be done by DEA with the companies to ensure compliance with the regulations. The process resulted in a delay on achieving the planned annual target  None	Received PPPs to be prioritised and finalised in 2018/19  None

**PROGRAMME 4: CLIMATE CHANGE AND AIR QUALITY (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Threats to environmental quality and integrity managed</b>	Number of Climate Change Response Policy interventions implemented	<b>3 Interventions implemented:</b> Terms of reference approved. GIZ is in a process of appointing of the service provider Carbon budgets have been allocated to 9 companies that have submitted sufficient data. Executive Authority approved the publication of the Draft Notice to declare GHG as Priority Pollutants and National Pollution Prevention Plans Regulations for final public comments	Final report GHG emission reduction potential of policies and measures (PAMS) compiled	Draft Report of the GHG emission reduction potential of policies and measures (PAMS) has been produced.	There were substantial quality issues in the report produced by the contracted service provider. The report had to be reviewed several times by DEA and independent reviewers since the drafts were not meeting the required quality standard. This led to DEA postponing the final stakeholder consultation session to 22 March 2018	Project extended by 2 months to allow Service Provider to incorporate all comments received and finalise work by 30 April 2018. This is done within the original project budget and DEA will exercise the 10% penalty charge for late delivery on all outstanding invoices/ payment submitted by the Service Provider
			Draft Long-term Low GHG Emissions Strategy developed	Draft Long-term Low GHG Emissions Development Strategy developed	None	None
	Low carbon and climate resilient programmes implemented/monitored	4 quarterly reports on implementation of Green Fund projects produced	4 Green Economy Quarterly Implementation Reports produced	4 Green Economy Quarterly Implementation Reports produced	None	None
			4 Green Fund Quarterly Implementation Reports compiled	4 Green Fund Quarterly implementation report compiled	None	None
<b>Negative impacts on health and wellbeing minimised</b>	Number of sector adaptation plans finalised and implemented	Implementation of 4 Climate Change Adaptation Sector plans facilitated and progress report prepared	Annual Plan to support Climate Change Adaptation Sector plans for 6 sectors implemented	Sector adaptation plans have been implemented and annual report compiled. Agriculture; Health; Disaster Management; Rural Development and Land Reform (Rural human settlements); Water, Biodiversity	None	None
	National Air Quality Indicator	0.79	1.20	The NAQI is 1.04 (Based on air quality data reported for the period 01 January to 31 December 2016)	None	None
	Number of air quality monitoring stations reporting to SAAQIS	145 stations (116 Government and 29 Industry owned stations) reporting to SAAQIS	75 government owned air quality monitoring stations reporting to SAAQIS	120 government-owned air quality monitoring stations are reporting on SAAQIS	Planned target exceeded with a variance of 60% with no impact on resources earmarked for other priorities	None

#### PROGRAMME 4: CLIMATE CHANGE AND AIR QUALITY (CONTINUED)

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Negative impacts on health and wellbeing minimised</b>	Number of air quality management plans implemented	<b>Annual plans of 3 Priority Area AQMPs implemented:</b> (Highveld, Vaal Triangle Air shed & Waterberg-Bojanala)	Annual plans of 3 Priority Area AQMPs implemented (Highveld, Vaal Triangle Air shed & Waterberg-Bojanala)	Annual plans of 3 Priority Area AQMPs implemented as follows:  Highveld, Vaal Triangle Air shed & Waterberg-Bojanala	None	None
<b>Enhanced sector monitoring and evaluation</b>	Framework for reporting on greenhouse gas emissions by industry developed and reports compiled	Annual CC M&E report finalised (individual chapters) but not yet published	Annual Climate Change Monitoring & Evaluation report compiled	3rd Climate Change Monitoring and Evaluation Annual report finalised	None	None
		2000 – 2012 GHG Inventory First Order Draft finalised	2000 – 2015 GHG Inventory report finalised	Draft 2000 – 2015 GHG Inventory in place but not finalised. Independent review outstanding	Delays as a result of dependency on third party (GIZ) approval processes in acquiring the service of a reviewer	Appointment of service provider through GIZ procurement processes finalised. The project will commence in first quarter of 2018/19. Project will be prioritised and fast-tracked

#### SUMMARY OF PROGRAMME PERFORMANCE: CLIMATE CHANGE AND AIR QUALITY

Summary of Programme Performance: The Annual Performance Plan of the Programme included a total of 17 annual targets. Thirteen ( 13) of these 17 targets were achieved ( 77%) . One target was achieved and exceeded. The remaining four target were not achieved: 3 targets were partially achieved , and one target was missed by a significant margin ( 50% of carbon budget PPPs with complete information processed and finalised within timeframes).

## PROGRAMME 5: BIODIVERSITY AND CONSERVATION

The purpose of the Programme is to ensure the regulation and management of all biodiversity, heritage and conservation matters in a manner that facilitates sustainable economic growth and development. The programme is made-up of eight sub programmes which are as follows: (1) Biodiversity and Conservation Management (2) Biodiversity Planning and Management (3) Protected Areas Systems Management (4) iSimangaliso Wetland Park Authority (5) South African National Parks (6) South African National Biodiversity Institute (7) Biodiversity Monitoring and Evaluation (8) Biodiversity Economy and Sustainable Use.

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Coherent and aligned multi-sector regulatory system &amp; decision support across government (as reflected in the Policy Initiatives on the Strategic Plan)</b>	Number of legislative tools to ensure conservation and sustainable use of biodiversity developed and implemented	Draft revised NBSAP finalised	National Biodiversity Framework (NBF) updated	NBF reviewed and updated	None	None
		2 Biodiversity Management Plans approved (African Lion, White rhino)	<b>2 draft BMPs for priority Bioprospecting species developed:</b> Aloe ferox, Honey bush	<b>2 Draft BMP's for priority bioprospecting species developed:</b> Aloe ferox and Honeybush	None	None
		N/A	Draft NEMBA amendments (Biodiversity bill) submitted to Parliament to publish for public participation	Draft NEMBA Bill amendments prepared and presented to MINTECH and recommended with inputs for submission to MINMEC	The MINMEC meeting of 16 March 2018 has been postponed until further notice	Draft NEMBA Bill amendments approved by MINMEC in April 2018 and will be published for public participation before submission for Parliamentary process
		National Norms and Standards for the management of elephant in South Africa	Draft amendments of norms and standards for the management of elephants gazetted for public participation	Draft amendments for Norms and Standards prepared for submission to MINMEC for approval to publish for public participation	The MINMEC meeting of 16 March 2018 has been postponed until further notice	Draft amendments for Norms and Standards approved by MINMEC in April 2018 and will be published for public participation
		N/A	Draft regulations for the domestic trade in rhinoceros horn/ products finalised for approval	Draft regulations finalised for approval and the process to obtain Minister's approval for re-publication for public participation has been initiated	None	None
			Draft notice for prohibition of the powdering or shaving of rhinoceros horn and domestic trade finalised for approval	Draft prohibition notice has been developed and the process to obtain Minister's approval for re-publication for public participation has been initiated	None	None

**PROGRAMME 5: BIODIVERSITY AND CONSERVATION(CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Coherent and aligned multi-sector regulatory system &amp; decision support across government (as reflected in the Policy Initiatives on the Strategic Plan)</b>	Number of legislative tools to ensure conservation and sustainable use of biodiversity developed and implemented	N/A	Notice for De-listing of <i>Diceros bicornis michaeli</i> as an invasive species and listing as a protected species finalised for approval	De-listing notice finalised	None	None
			Regional engagement strategy for biosafety developed	Regional engagement strategy for biosafety developed	None	None
<b>Ecosystems conserved, managed and sustainably used</b>	Percentage of land under conservation	11.73% of land under conservation (14,300,113.09/ 121 909 000ha)	12.7% of land under conservation (15, 492, 882 ha/ 121, 991, 200ha)	12.96% (15,797, 120.74 / 121,909,000.00) in total under conservation for 2017/2018. 0.45% of land under conservation was added	Planned target exceeded with a variance of 2% with no impact on resources earmarked for other priorities	None
	Percentage of area of state managed protected areas assessed with a METT score above 67%	92.6% of area of state managed protected areas assessed with a METT score above 67%	75% of area of state managed protected areas assessed with a METT score above 67%	75% of area of state managed protected areas assessed with a METT score above 67%	None	None
	Number of interventions to ensure conservation and sustainable use of biodiversity developed and implemented	Two mining exclusion areas identified	<b>2 interventions:</b> 1 biodiversity priority area identified for exclusion from mining activities	One biodiversity priority area identified for exclusion from mining activities (Drakensberg)	None	None
		N/A	1 NAP priority implemented: National Land Degradation Neutrality target and indicators developed	<b>1 NAP priority implemented:</b> National Land Degradation Neutrality target and indicators developed	None	None
<b>Improved access, fair and equitable sharing of benefits</b>	People and Parks programme effectively promoted and implemented	Implementation of 2014 People and Parks resolutions facilitated in nine provinces and annual progress report prepared. 51% (15/29) of resolutions implemented as per annual plan	Annual plan for People and Parks conference resolutions implemented	Annual plan for People and Parks conference resolutions implemented and annual report compiled	None	None

**PROGRAMME 5: BIODIVERSITY AND CONSERVATION(CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Improved access, fair and equitable sharing of benefits</b>	Number of biodiversity economy initiatives implemented	N/A	<b>4 biodiversity economy initiatives implemented:</b> 800 000 hectares of Biodiversity Economy Land areas Identified and mapped for transformation in different provinces	1 450 141 hectares of Biodiversity Economy Land, identified and mapped for transformation	Planned target exceeded with a variance of 81% with no impact on resources earmarked for other priorities	None
			11 National Biodiversity Economy Nodes approved	16 National Biodiversity Economy Nodes approved	Planned target exceeded with a variance of 45% with no impact on resources earmarked for other priorities	None
			500 hectares of land for indigenous species identified and cultivated	500 ha land identified for cultivation of indigenous species across the country.294.52 ha of land has been cultivated in the regulated sector	The shortfall of land cultivated with Indigenous plants is dependent on project approvals of projects	Project funding cycle commences in the 2018/2019 financial year. Funds will be utilised to support cultivation projects identified in the Expansion Plan, thus contributing towards the 2017/2018 target
			National game donation guidelines for transformation in the wildlife sector approved and annual plan implemented	Draft game donation guidelines developed and submitted to MINMEC. MINMEC decided that the guidelines be changed to a binding policy. The process of drafting a game donation policy framework has been initiated. Policy development workshop conducted and draft policy framework sent out to stakeholders for input	The process of approval had to be abandoned due to MINMEC resolution to have a binding policy framework	A binding policy framework has been developed and will be submitted for approval by Minister in Q4 of 2018/19
	Number of benefit sharing agreements concluded and approved	1 benefit sharing agreement concluded and approved. 4 benefit sharing agreements submitted to Executive Authority for consideration	5 benefit sharing agreements approved	7 Benefit Sharing Agreements concluded and approved	Planned target exceeded with a variance of 40% with no impact on resources earmarked for other priorities	None

## PROGRAMME 5: BIODIVERSITY AND CONSERVATION(CONTINUED)

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Improved access, fair and equitable sharing of benefits</b>	Number of natural resource based enterprises established in support of wildlife economy vision 2024	8 sustainable natural resource based enterprises established (Funding for all business plans approved)	10 business plans/ proposals for biodiversity economy entrants developed and funding/ investment secured	Investment in the form of game species was secured for 10 Wildlife Economy business ventures	None	None
<b>Strengthened Knowledge, Science Policy Interface</b>	Number of interventions and research programmes aimed at advancing the Biodiversity Science Interface	Elephant research conducted on the Status quo on Small Elephant Populations in South Africa and report prepared	<b>3 interventions:</b> Research Indaba convened	Research Indaba convened	None	None
			Annual report on the implementation of the biodiversity research strategy developed	Annual report on the implementation of the biodiversity research and evidence strategy developed	None	None
		2 Stakeholder workshops on the intensive breeding of colour variants convened and reports drafted	Report on Scientific Assessment of Predation Management finalised	Report on Scientific Assessment of Predation Management finalised	None	None

## SUMMARY OF PROGRAMME PERFORMANCE: BIODIVERSITY AND CONSERVATION

Summary of Programme Performance: The 2017/18 Annual Performance Plan of Programme 5 included 22 annual target. Eighteen (18) of these targets were achieved ( 82%), with four of the targets exceeded (22%).The remaining four (4) annual targets were partially achieved ( significant progress was made towards the annual target even though the progress was still short of the actual planned output).



## PROGRAMME 6: ENVIRONMENTAL PROGRAMMES

The purpose of the Programme is to implementation of expanded public works and green economy projects in the environmental sector. The programme is made-up of Five (5) sub programmes which are as follows: (1) Environmental Protection and Infrastructure Programme (2) Working for Water and Working on Fire (3) Green Fund (4) Environmental Programmes Management (5) Information Management and Sector Coordination.

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Improved socio-economic benefits</b>	Number of Full Time Equivalents (FTEs) created	28 141	38 140	28 343 of Full Time Equivalents (FTEs) were created	Delays with appointment of implementing agents for new projects due to differences of interpretation and challenges with Auditor-General(AGSA) regarding implementation of National Treasury's Modified Cash Standards (MCS) and correct financial reporting/accounting for allocated EPWP budget	Implementation of programmes will continue in 2018/19
	Number of Work Opportunities created	73 381 Women 54.07% (39 977.10 / 73 381) Youth 64.51% (47 338.08/ 73 381) People with Disabilities 3.79% (2 781.13 / 73 381)	71 684 (Women - 55%; Youth - 65% & People with Disabilities - 3%)	<b>71 945 work opportunities created</b> Percentage of Women - 53.75% ( 38 670); Youth – 65.40% (47 052); People with Disabilities : 220 beneficiaries with disabilities participating in programmes (Limited number of new projects implemented in 2017/18 to enable achievement of targeted numbers and also challenges with implementers with verification process to enable accurate reporting)	Planned target exceeded with a variance of 0.3% with no impact on resources earmarked for other priorities	None
	Number of accredited training person days created	139 986	145 560	71 731 accredited training person days were created	Delays with appointment of training providers due to differences of interpretation and challenges with Auditor-General(AGSA) regarding implementation of National Treasury's Modified Cash Standards (MCS) and correct financial reporting/accounting for allocated EPWP budget	Implementation of programmes will continue in 2018/19

**PROGRAMME 6: ENVIRONMENTAL PROGRAMMES (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Improved socio-economic benefits</b>	Number of youth benefiting from the Youth Environmental Service (YES)	1 020	<b>3 900 Youth re-recruited in various programmes:</b> 3000 Environmental Management personnel placed in Municipalities 900 Youth Environmental Service	3 900 youths are benefiting from implementation of Environmental programmes	None	None
	Number of SMMEs used (wildlife economy ocean economy, Environment Programmes)	2 360	2 384	2 006 SMME's were used	There was a decline in the number of projects implemented during the financial year which effectively reduced the opportunities for use of SMMEs	New projects have been identified and will be implemented in 2018/19.
	Number of overnight visitor, and staff Accommodation units established and renovated	51 (33 overnight visitor units and 18 staff accommodation units established). 3 new overnight visitor accommodation building were constructed and 48 units renovated/ upgraded	6	21 overnight visitor and staff accommodation units were established and renovated (1 Admin building was established, 2 were renovated. 4 Overnight Visitors Accommodation units were established, 7 were renovated. 2 Staff accommodation unit was established, 5 were renovated)	Planned target exceeded with a variance of 250% with no impact on resources earmarked for other priorities	None
	Number of Climate Change flagship programmes coordinated	Renewable Energy flagship framework developed	<b>3 draft climate change policy flagship business plans developed:</b> Diversion of waste from Landfills Climate smart agriculture Sustainable urban transport	5 Draft flagship business plans completed: 1. Waste Management; 2. Renewable Energy; 3. Energy Efficiency and Demand Management; Climate smart agriculture (Agriculture, Food Systems and Food Security Flagship Programme); Sustainable urban transport	Planned target exceeded with a variance of 67% with no impact on resources earmarked for other priorities	None
<b>Ecosystem conserved, managed and sustainably used</b>	Number of wetlands under rehabilitation	118	140	190 wetlands under rehabilitation	Planned target exceeded with a variance of 36% with no impact on resources earmarked for other priorities	None

**PROGRAMME 6: ENVIRONMENTAL PROGRAMMES (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Ecosystem conserved, managed and sustainably used</b>	Number of Hectares of land under rehabilitation/ restoration	36 380	30 543	101 760 hectares of land under rehabilitation/restoration	Planned target exceeded with a variance of 233% with no impact on resources earmarked for other priorities	None
	Number of Kilometres of accessible coastline cleaned	2 113	2 113	2 116 kilometres of accessible coastline were cleaned	Planned target exceeded with a variance of 0.1% with no impact on resources earmarked for other priorities	None
<b>Threats to environment quality and integrity managed</b>	Number of Environmental Monitors deployed in conservation areas	1 442	1 500	1 648 Environmental Monitors were deployed in conservation areas	Planned target exceeded with a variance of 10% with no impact on resources earmarked for other priorities	None
	Number of emerging invasive alien species targeted for early detection	74	70	85 emerging invasive alien species have been targeted for early detection	Planned target exceeded with a variance of 21% with no impact on resources earmarked for other priorities	None
	Number of initial hectares of invasive alien plants treated	192 350	161 015	167 017.36 initial hectares of invasive alien plants were treated	Planned target exceeded with a variance of 4% with no impact on resources earmarked for other priorities	None
	Number of follow-up hectares of invasive alien plants treated	686 020	536 513	761 714.08 follow-up hectares of invasive alien plants were treated	Planned target exceeded with a variance of 42% with no impact on resources earmarked for other priorities	None
	Percentage of wild fires suppressed (provided there are not more than 2 400)	100%	90%	100% (1 974/1 974) wild fires were suppressed	Planned target exceeded with a variance of 11% with no impact on resources earmarked for other priorities	None

## PROGRAMME 6: ENVIRONMENTAL PROGRAMMES (CONTINUED)

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Enhanced sector monitoring and evaluation</b>	Number sector monitoring and evaluation studies and reports/publications finalised	Consolidated investigation report on availability, accessibility and cost of data finalised Draft regulations on procedure, format and content of the provincial and metro outlook report developed	<b>3 Studies /reports:</b> Draft 3rd SAEO report for Policy Markers developed	Draft 3rd South African Environment Outlook (SAEO) report developed	None	None
		Environmental sustainable development indicators developed	1st Annual Environmentally sustainable development indicators report published	1st Annual Environmentally sustainable development indicators report published. The following four factsheets were submitted to the Presidency (DPME) and published on the Environmental Indicators Database: Terrestrial Biodiversity Protection Index; Marine Protected Areas Index; Priority Areas Air Quality Index; Greenhouse Gas Emission Indicator	None	None
		4 emerging issue response options prepared	6 emerging issue response options prepared and submitted to management	6 emerging issue response options prepared and submitted to Management	None	None

## SUMMARY OF PROGRAMME PERFORMANCE: ENVIRONMENTAL PROGRAMMES

Summary of Programme Performance: The Annual Performance Plan of this Programme for the 2017/18 financial year had a total of 18 annual targets. Fifteen ( 15) of these planed targets were achieved ( 83%) and eleven of the them were exceeded (73%) . The remain 3 targets were partially achieved ( significant progress was made towards the annual target even though the progress was still short of the actual planned output).

## PROGRAMME 7: CHEMICALS AND WASTE MANAGEMENT

The purpose of the Programme is to manage and ensure that chemicals and waste management policies and legislation are implemented and enforced in compliance with chemicals and waste management authorisations, directives and agreements. The programme is made-up of five sub programmes which are as follows: (1) Chemicals and Waste Management (2) Hazardous Waste Management and Licensing (3) General Waste and Municipal Support (4) Chemicals and Waste Policy, Evaluation and Monitoring (5) Chemicals Management.

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Coherent and aligned multi-sector regulatory system &amp; decision support across government (as reflected in the Policy Initiatives on the Strategic Plan)</b>	Number of chemicals and waste management instruments developed and implemented	The draft Regulations were revised	Waste Import/Export Regulations submitted for gazetting for implementation	Waste Import/Export Regulations finalised and submitted for gazetting for implementation	None	None
		PCB Phase-out Plan for Municipalities finalised	Draft PCB phase out plan for all Municipalities developed	Desktop draft phase-out plan and inventory from the 174 NERSA licenced Municipalities has been developed	None	None
		Draft Chemicals Management Bill developed	National Chemicals Management Policy finalised	Draft Policy finalised and recommended to Cabinet for approval to publish for public consultation/comments	Policy recommended to Cabinet by the Economic Sectors, Employment and Infrastructure Development (ESEID) Cluster held on 15 February 2018. Meeting of ESEID Cabinet Committee (07 March 2018) and Cabinet (14 March 2018) for publishing draft Policy for comments were cancelled	Draft policy will be finalised and submitted to Cabinet in 2018/19
		National Waste Management Strategy developed	Report on the review of the National Waste Management Strategy compiled	Report on the review of the National Waste Management Strategy compiled and is inclusive a draft Chapter on Waste Minimisation report	None	None
<b>Threats to environmental quality and integrity managed</b>	Number of industry waste management plans (IndWMPs) reviewed per annum	3 draft Industry Waste Management Plans reviewed and comments/ inputs made on plans ( Lighting; e-waste and paper and packaging industry plans)	4 IndWMPs submitted (E-waste; Lighting; Paper & Packaging and Tyres) and reviewed	<b>Waste tyres:</b> 4 IndWMPs received for one waste stream ( tyre industry) and the plans are under review. <b>E-waste; Lighting; Paper &amp; Packaging:</b> The final section 28 notice was published on the 6th December 2017 and the department has not received any plans as yet. The submission deadline is 05 September 2018	Industry request additional time for the development and submission of plans	The closing date for submission of the other 3 Plans is 5 September 2018

**PROGRAMME 7: CHEMICALS AND WASTE MANAGEMENT (CONTINUED)**

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Threats to environmental quality and integrity managed</b>	Number of unlicensed waste disposal facilities authorised per annum	57	12	3 out of 12 final Scoping/Basic Assessment Reports were submitted to the licensing authority. A total of nine (09) reports are outstanding due to the following: Northern Cape requested additional specialist studies to be conducted. Eastern Cape requested additional public participation. KwaZulu-Natal, requested amendments to the report, which led to the report going out for a second period of public comment approximately ending in May 2018	Municipalities delayed in finalising application forms. Additional requirements by Licensing authorities	Engaged with all municipalities and provinces affected. Service providers were introduced to all municipalities. Continuously engaging with all provinces affected through Working Group 9
	Number of chemicals and waste management instruments developed and implemented	Service provider appointed and draft Minamata Convention Impact Study developed	Minamata Convention Impact Study approved by Cabinet and submitted to Parliament for ratification	Minamata Convention Impact Study approved by Cabinet and submitted to Parliament for ratification	None	None
	Number of waste management facilities audited	16 facilities were audited	20 Waste management facilities audited	24 waste management facilities were audited	Planned target exceeded with a variance of 20% with no impact on resources earmarked for other priorities	None
<b>Negative impacts on health and wellbeing minimised</b>	Percentage decrease on HCFC consumption (5140.2 tons baseline)	26.17% decrease on HCFC consumption	20% (1028.04 tons)	A decrease of 38% Hydro-chlorofluorocarbons (HCFC) consumption (i.e. 1976.35 / 5140.2 x 100) tons allowable consumption ( 4112.16 Tonnes) was consumed	Planned target exceeded with a variance of 90% with no impact on resources earmarked for other priorities	None
<b>Enhanced sector monitoring and evaluation</b>	State of the Waste Report developed	Waste Information Baseline Report 2012	State of the Waste Report compiled	State of Waste Report compiled	None	None
	Number of chemicals and waste management instruments developed and implemented	National Waste Management Strategy	Report for management options on plastic waste compiled	Report for management options on plastic waste compiled	None	None

## PROGRAMME 7: CHEMICALS AND WASTE MANAGEMENT (CONTINUED)

STRATEGIC OBJECTIVE	PERFORMANCE INDICATOR	BASELINE 2015/16	ANNUAL TARGET 2017/18	PROGRESS/ ACHIEVEMENT AGAINST TARGET	COMMENTS (CHALLENGES / EXPLANATIONS ON VARIANCES)	CORRECTIVE MEASURES
<b>Enhanced sector monitoring and evaluation</b>	Number of chemicals and waste management instruments developed and implemented	National Waste Management Strategy	Report on Landfill disposal tax compiled	Framework for the tool (market-based instrument) has not been completed however the draft Status Quo Report on landfill disposal tax feasibility has been completed on 29/03/2018	The Project Steering Committee recommended that the sampling (number and categories of municipalities) be revised as the implications of the landfill disposal tax would affect all municipalities. This change of sampling requires time and led to the delay.	The project management has assigned additional human resource capacity to approach additional municipalities for data collection. The project is scheduled for completion in July 2018
			Report on waste separation at source compiled (incl. SEIAS)	Framework for the recommended regulatory tool developed and report on waste separation at source compiled	None	None

## SUMMARY OF PROGRAMME PERFORMANCE: CHEMICALS AND WASTE MANAGEMENT

Summary of Programme Performance: The Annual Performance Plan of this Programme for the 2017/18 financial year covered 13 annual targets. A total of 9 out the 15 planned targets were achieved (69%). Two target were exceeded (22%) . The remaining 4 targets out of the 15 were not achieved. Two of these four target were partially achieved, and two missed by a significant margin ( 12 unlicensed wasted disposal facilities authorised and 4 Industry Waste Management Plans submitted and reviewed).



## STRATEGY TO OVERCOME AREAS ON UNDER PERFORMANCE

In each area where the planned target has not been achieved, Management has reflected on the factors causing the delays (challenges) and identified the corrective measures to be implemented as detailed in the audited performance information report. This is a standard management practice aimed at ensuring effective implementation and monitoring of the Department's approved Annual Performance Plan. Progress on these areas will be reviewed in the first and following quarters of the next financial year (2018/19) to assess the effectiveness of the identified corrective measures and to determine the need for further management intervention where required.

### Changes to planned targets

Below are the details of a submission that was made mid-year to amend some of the deliverables in the department's 2017/18 Annual Performance Plan. Approval for these amendments was obtained.

## PROGRAMME 1: ADMINISTRATION

### Strategic Objective: Improved profile, support and enhanced capacity for the environment sector

Performance Indicator	Baseline	Current 2017/18 APP target	Proposed amendment	Brief motivation/reasons for the proposed amendments
Number of events including Ministerial Public Participation Programme (PPP) hosted	19 Public Participation events hosted	7 Public Participation events hosted	14 Public Participation events hosted	The communication strategy was reviewed in order to expand the community outreach to enhance public awareness on various environmental policies, programmes of the Department

### Strategic Objective: Equitable and Sound Corporate Governance (Branch APP only – For DG Approval)

Performance Indicator	Baseline	Current 2017/18 APP target	Proposed amendment	Brief motivation/reasons for the proposed amendments
Average number of working days taken to procure as service (issue an order and sign a service level agreement)	Total number of bids finalised 29:  6 Bids were finalised within timeframe ( 120 days)  23 Bids were finalises outside the timeframe (average 200 days)	Tender process: 90 days	Tender process: 120 days	The required modification is due to the period it takes from the advertisement of the BID to the completion  The records for tenders over the past three years confirms that the tenders takes more than four months to be completed hence the CFO is requesting the target to be amended from 90 Days to 120 days

### Strategic Objective: Effective knowledge and information management for the sector

Performance Indicator	Baseline	Current 2017/18 APP target	Proposed amendment	Brief motivation/reasons for the proposed amendments
Number of environmental Information and knowledge management tools developed and implemented	SA National Environmental Information Meta-Database Phase I –Scoping Project was completed	SA National Environmental Meta-Database Phase 2: Meta-Database testing finalised	SA National Environmental Meta- Database Phase 2: SANEIM progress report prepared	<p>The success of the SANEIM project, as with any capacity development intervention, requires proper project ownership, i.e. the SANEIM's success is dependent on the formal and stable organisational anchoring of the project, the project outputs, and its continued operation and maintenance within the department. However, as the structural rationalisation process that would clarify the organisational anchoring of metadata management within the department is still ongoing, this success criterion is unlikely to be met in the well before the end of 2017/18.</p> <p>Thus, in order to avoid any wasted effort and potential SANEIM project failure, it is proposed that the SANEIM Phase II project be effectively put on hold until an appropriate project anchoring structure is established within the department as part of the structural rationalisation process. Should the project proceed without the appropriate organisational anchoring, frustration, duplication, discontinuity, lack of ownership and inefficient resource use are highly likely.</p>

## PROGRAMME 4: CLIMATE CHANGE MANAGEMENT AND AIR QUALITY MANAGEMENT

### Strategic Objective: Threats to environmental quality and integrity managed

Performance Indicator	Baseline	Current 2017/18 APP target	Proposed amendment	Brief motivation/reasons for the proposed amendments
National Climate Change Adaptation Strategy developed and implemented	Draft National Climate Change Adaptation Strategy developed	National Climate Change Adaptation Strategy and action plan approved	Draft National Climate Change Adaptation Strategy submitted for ministerial consideration	The development of the National Adaptation Strategy is being funded through donor (GIZ) and they have changed their funding procedure which delayed the appointment of a consultant to re-formulate. Following extensive stakeholder consultation the document is being reformulated and will be ready for publishing in October. Therefore, the reformulated NAS will be published on the DEA website for public comment and not gazetted as it is not sanction by any legislation.
Number of Climate Change Response Policy interventions implemented	Priority Pollutants and National Pollution Prevention Plans Regulations for final public comments	100% of carbon budgets PPP processed and finalised within timeframes	50% of carbon budget PPPs with complete information processed and finalised within the required timeframes	Due to capacity constraints it will not be possible to process 100% of the PPPs. This target was formulated when there were 2 people (Director & DD) in the Directorate, and the one has since moved to another section. Also to be noted that the DD post was additional to establishment, so can't appoint a new person to fill the post. A motivation for a new DD has been submitted to HR.

## PROGRAMME 5: BIODIVERSITY AND CONSERVATION

### Strategic Objective: Coherent and aligned multi-sector regulatory system & decision support across government (as reflected in the Policy Initiatives on the Strategic Plan)

Performance Indicator	Baseline	Current 2017/18 APP target	Proposed amendment	Brief motivation/reasons for the proposed amendments
Number of legislative tools to ensure conservation and sustainable use of biodiversity developed and implemented	N/A	Regional engagement strategy for biosafety approved and (implemented plan)	Regional engagement Strategy for Biosafety developed	The regional strategy need to be submitted to Cabinet for approval before implementation. The initial plan was to submit the strategy to Cabinet during the third quarter. The Cabinet cluster schedule is full due to a high number of items on the agenda and it will therefore not be possible to process the strategy to Cabinet in the 3 <sup>rd</sup> quarter as planned. The Strategy will only be submitted to Cabinet in the 4 <sup>th</sup> quarter and this delay will affect implementation of the strategy which was planned to start in quarter 4.

## PROGRAMME 6: ENVIRONMENTAL PROGRAMMES

### Strategic Objective: Improved socio-economic benefits

Performance Indicator	Baseline	Current 2017/18 APP target	Proposed amendment	Brief motivation/reasons for the proposed amendments
Number of Work Opportunities created	73 381 Women 54.07% (39 977.10 / 73 381) Youth 64.51% (47 338.08 / 73 381) People with Disabilities 3.79% (2 781.13 / 73 381)	71 684 (Women - 58%; Youth - 70% & People with Disabilities - 3%)	71 684 (Women - 55%; Youth - 65% & People with Disabilities - 2%)	The planned increase on the percentage on women and young people accessing employment opportunities was going to be realized largely in new projects. The number of new projects which have been commissioned have been limited as a result of challenges with the Auditor-General of South Africa with regard to interpretation, and application of the Modified Cash Standards for funds allocated for Expanded Public Works Programme.
Number of school desk equivalents produced	143 488	120 000	40 000	Based on the programme funding analysis and review conducted, there is a budget deficit of R24, 4 million to achieve the planned target. There also a number of constraint affecting production and they are outlined below:  Insufficient timber availability as a result of lack of suitable biomass continues to be a challenge.  Outstanding employee relations issues affected 4 of the mills from the start of the financial year.

**Strategic Objective: Threats to environmental quality and integrity managed**

Performance Indicator	Baseline	Current 2017/18 APP target	Proposed amendment	Brief motivation/reasons for the proposed amendments
Number of initial hectares of invasive alien plants treated	192 350	201 269	161 015	The Department has not been able to appoint service providers for implementation of new invasive clearing projects due the ongoing dispute and differences with the Auditor-General of South Africa on interpretation and application of National Treasury's Modified Cash Standards on funds allocated for implementation of Expanded Public Works Programme (EPWP). The issue in dispute with the AGSA is receiving Management attention following appointment of an independent mediator and it is estimated to be finalised in the third quarter of the year and this will have an overall delay in appointment of new service providers and meeting the originally planned targets.
Number of follow-up hectares of invasive alien plants treated	686 020	596 126	536 513	

**PROGRAMME 7: CHEMICALS AND WASTE MANAGEMENT**

**Strategic Objective: Coherent and aligned multi-sector regulatory system & decision support across government (as reflected in the Policy Initiatives on the Strategic Plan)**

Performance Indicator	Baseline	Current 2017/18 APP target	Proposed amendment	Brief motivation/reasons for the proposed amendments
Number of chemicals and waste management instruments developed and implemented	N/A	HFC Management Regulations finalised	Deletion of the annual target	<p>The HFC Management Regulations were proactive way of implementing the Kigali amendment. The final decisions adopted in Kigali had implications with regards to timeframes on the phase down and funding. The setting of the baseline is agreed to be the average of 2020 till 2022, with 2024 as the Freeze date. The first phase down target will be a decrease by 10% in 2029, which implies that funds from the MLF for the phase down of HFC will only be availed towards the year of the first decrease.</p> <p>Continuing with the regulation without a guarantee of the immediate funding of the phase down may put financial and economic strain on the South African Industry. Negotiations on the funding possibilities will continue at the Meeting of the Parties in November 2017, and the appropriate tool for the management of HFC South Africa will then be determined going into the 2018/2019 financial year.</p>

## LINKING PERFORMANCE WITH BUDGETS

### PROGRAMME 1: ADMINISTRATION

Sub- Programme Name	2017/18			2016/17		
	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)
Management	246 618	246 618	-	163 373	163 373	-
Corporate Affairs	273 330	273 330	-	212 595	211 623	972
Environmental Advisory Service	103 713	103 713	-	105 525	105 525	-
Financial Management	71 157	71 157	-	68 371	68 371	-
Office Accommodation	227 228	227 228	-	221 126	221 126	-
Environmental Sector Coordination	-	-	-	57 884	57 884	-
<b>TOTAL</b>	<b>922 046</b>	<b>922 046</b>	<b>-</b>	<b>828 874</b>	<b>827 902</b>	<b>972</b>

### PROGRAMME 2: LEGAL, AUTHORIZATION & COMPLIANCE

Sub- Programme Name	2017/18			2016/17		
	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)
Legal Authorization Compliance management	5 954	5 954	-	5 716	5 716	-
Compliance Monitoring	30 321	30 321	-	25 951	25 951	-
Integrated Environment Authorization	37 047	37 028	19	32 144	32 144	-
Enforcement	60 414	56 280	4 134	58 882	58 882	-
Corporate Legal Sup & Litigation	16 578	16 578	-	14 447	14 447	-
Law Reform & Appeals	19 280	19 280	-	17 163	17 163	-

**PROGRAMME 3: OCEANS AND COASTS**

Sub- Programme Name	2017/18			2016/17		
	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)
Oceans and Coasts Management	18 289	18 289	-	15 397	15 397	-
Integrated Coastal Management	37 412	31 887	5 525	122 776	122 776	-
Oceans and Coastal Research	215 074	215 074	-	127 767	127 767	-
Oceans Conservation	61 457	61 457	-	228 641	228 641	-
Specialist Monitoring Service	101 906	101 906	-	8 100	8 100	-
<b>TOTAL</b>	<b>434 138</b>	<b>428 613</b>	<b>5 525</b>	<b>502 681</b>	<b>502 681</b>	<b>-</b>

**PROGRAMME 4: CLIMATE CHANGE & AIR QUALITY**

Sub- Programme Name	2017/18			2016/17		
	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)
Climate Change Management	4 786	4 786	-	7 854	7 854	-
Climate Change Mitigation	9 161	9 161	-	9 920	9 920	-
Climate Change Adaptation	7 437	7 437	-	7 402	7 402	-
Air Quality Management	51 288	50 351	937	44 648	43 729	919
South African Weather Service	205 482	205 482	-	204 985	204 985	-
Inter Climate Change Relations & Negotiations	11 651	11 651	-	10 595	10 595	-
Climate Change Monitoring & Evaluation	6 019	6 019	-	10 999	10 999	-
<b>TOTAL</b>	<b>295 824</b>	<b>294 887</b>	<b>937</b>	<b>296 403</b>	<b>295 484</b>	<b>919</b>

**PROGRAMME 5: BIODIVERSITY AND CONSERVATION**

Sub- Programme Name	2017/18			2016/17		
	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)
Biodiversity and Conservation Management	19 674	19 674	-	22 925	22 925	-
Biodiversity Planning Management	21 202	21 202	-	25 677	25 677	-
Protected Areas System management	45 376	42 346	3 030	43 573	43 573	-
iSimangaliso Wetland Park Authority	34 523	34 523	-	33 031	33 031	-
South African National Parks	285 336	285 336	-	278 939	278 939	-
South African National Biodiversity Institute	252 728	252 728	-	237 973	237 973	-
Biodiversity Monitoring & Evaluation	10 414	10 414	-	17 173	17 173	-
Biodiversity Economy & Sustainable Use	26 437	26 437	-	79 430	79 430	-
<b>TOTAL</b>	<b>695 690</b>	<b>692 660</b>	<b>3 030</b>	<b>738 721</b>	<b>738 721</b>	<b>-</b>

**PROGRAMME 6: ENVIRONMENTAL PROGRAMMES**

Sub- Programme Name	2017/18			2016/17		
	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)
Environmental Protection & Infrastructure Programme	19 674	19 674	-	1 568 774	1 568 774	-
Working for Water & Working on Fire	21 202	21 202	-	1 995 619	1 956 805	38 814
Green Fund	45 376	42 346	3 030	180 000	180 000	-
Environmental Programme management	34 523	34 523	-	6 188	6 188	-
Enforcement Management & Sector Coordination	285 336	285 336	-	55 145	55 145	-
<b>TOTAL</b>	<b>252 728</b>	<b>252 728</b>	<b>-</b>	<b>3 805 726</b>	<b>3 766 912</b>	<b>38 814</b>

## PROGRAMME 7: CHEMICALS & WASTE MANAGEMENT

Sub- Programme Name	2017/18			2016/17		
	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)
Chemicals & Waste Management	14 460	14 460	-	8 121	8 121	-
Hazardous waste management & licensing	57 263	57 263	-	25 588	25 588	-
General waste & Municipal Support	50 236	50 236	-	20 563	20 563	-
Chemicals & Waste Policy, Evaluation & Monitoring	283 627	215 460	68 167	28 326	24 901	3 425
Chemicals Management	16 466	16 466	-	15 795	15 795	-
<b>TOTAL</b>	<b>422 052</b>	<b>353 885</b>	<b>68 167</b>	<b>98 393</b>	<b>94 968</b>	<b>3 425</b>

## TRANSFER PAYMENTS

### TRANSFER PAYMENTS TO PUBLIC ENTITIES

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity (R'000)	Amount spent by the public entity (R'000)
South African Weather Service (SAWS)	Weather services, climate and related products (disseminating weather services product).	240 482	240 482
iSimangaliso Wetland Park Authority	Heritage site management	134 523	134 523
South African National Parks (SANParks)	Conservation management through the national parks system.	494 104	494 104
South African National Biodiversity Institute (SANBI)	Biodiversity Management	327 728	327 728



## TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES

The table below reflects the transfer payments made for the period 1 April 2017 to 31 March 2018

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity
Development Bank of South Africa	Public Corporation	Implementation of Green Fund projects	Yes	110 455	110 455
Global Environmental Fund	Foreign Government	International membership fee	Yes	16 000	16 000
National Regulator for Compulsory Specifications	Departmental Agency	Financial Contribution	Yes	11 313	11 313
Compensation Fund of South Africa	Departmental Agency	Contribution to Fund in respect of project staff	Yes	2 643	2 643
Social benefit	Household	Leave gratuity and severance package	Yes	10 273	10 273
National Association for Clean Air	Non-profit Institution	Financial Contribution	Yes	1 548	1 548
KwaZulu-Natal Conservation Board	Non-profit Institution	Financial Contribution	Yes	1 287	1 287
African World Heritage Fund	Non-profit Institution	Financial Contribution	Yes	1 000	1 000
Environmental Assessment Practitioner Association of South Africa	Non-profit Institution	Financial Contribution	Yes	4 249	4 249
Various municipalities	Municipality	Vehicle licences	Yes	123	123
SABC	Departmental Agency	Radio and TV licences	Yes	1	1
Other transfer	Household	Bursaries, claims against the state and donations	Yes	1 505	1 505

The table below reflects the transfer payments which were budgeted for in the period 1 April 2017 to 31 March 2018, but no transfer payments were made.

Name of transferee	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
None					

### Conditional grants

None

## DONOR FUNDS

### DONOR FUNDS RECEIVED

#### Donor Fund: United Nations Development Programme: Benguela Coastal Current Large Marine Ecosystem Programme

Name of donor	United Nations Development Programme
Full amount of the funding	R319 283.38
Period of the commitment	Ongoing
Purpose of the funding	To give effect to the Strategic Action Programme by establishing a Benguela Current Commission in order to establish a formal institutional structure for co-operation between the Contracting Parties that will facilitate the understanding, protection, conservation and sustainable use of the Benguela Current Large Marine Ecosystem by the Contracting Parties; and To further the objectives recorded in the Strategic Action Programme
Expected outputs	Established Benguela Current Commission
Actual outputs achieved	Project completed
Amount received in current period (R'000)	R00.00
Amount spent by the department (R'000)	R00.00
Reasons for the funds unspent	Donor funded project completed, await final funds transfer from RDP Funds
Monitoring mechanism by the donor	Reporting to Donor

#### Donor Fund: United Nations Development Programme: Strengthening Law Enforcement Capabilities to Combat Wildlife Crime for Conservation and Sustainable Use of Species in South Africa: target: Rhinoceros

Name of donor	United Nations Development Programme
Full amount of the funding	R32 285 000
Period of the commitment	May 2014 – April 2019
Purpose of the funding	Improve the effectiveness of efforts to combat wild life crime in South Africa's protected areas system, focussed on rhinoceros, through improved forensic technologies and capacity, strengthened data catering, sharing and analysis systems at national level, and enhance cooperation structures and mechanisms at international level to support law efforts along the whole trafficking chain
Expected outputs	Strengthening Law Enforcement Capabilities to Combat Wildlife Crime for Conservation and Sustainable Use of Species In South Africa: target: Rhinoceros
Actual outputs achieved	Strengthening Law Enforcement Capabilities to Combat Wildlife Crime.
Amount received in current period (R'000)	R00.00
Amount spent by the department (R'000)	R10 899
Reasons for the funds unspent	None
Monitoring mechanism by the donor	Reporting to Donor

**Donor Fund: United Nations Development Programme: South Africa: Enabling Activities for the Preparation of Third National Communications (TNC) and Biennial Update Report (BUR)**

Name of donor	United Nations Development Programme
Full amount of the funding	R4 426 000
Period of the commitment	August 2014 – June 2019
Purpose of the funding	Undertake national stocktaking and stockholder consultations to review work carried out under previous climate change enabling activities and identify gaps and propose relevant activities to be undertaken within the framework of preparing the TNC under the UNFCCC
Expected outputs	Preparation of Third National Communications (TNC) and Biennial Update Report (BUR)
Actual outputs achieved	Implemented activities for the Preparation of Third National Communications (TNC) and Biennial Update Report (BUR)
Amount received in current period (R'000)	R00.00
Amount spent by the department (R'000)	R7 715
Reasons for the funds unspent	Now project in process for preparation
Monitoring mechanism by the donor	Reporting to Donor

**Donor Fund: United Nations Development Programme: Synergies Workshop among the Basel, Stockholm and Rotterdam Conventions**

Name of donor	United Nations Development Programme
Full amount of the funding	R789 502.07
Period of the commitment	Ongoing
Purpose of the funding	Facilitating a national dialogue involving relevant stakeholders on the Rotterdam Convention for South Africa.
Expected outputs	Hosting Rotterdam Convention
Actual outputs achieved	Project completed
Amount received in current period (R'000)	R00.00
Amount spent by the department (R'000)	R00.00
Reasons for the funds unspent	Donor funded project completed, await final funds transfer from RDP Funds
Monitoring mechanism by the donor	Report on the Rotterdam Convention

#### Donor Fund: United Nations Development Programme: 6th Session of the AEWA Meeting of Parties

Name of donor	United Nations Development Programme
Full amount of the funding	R1 293 000
Period of the commitment	Ongoing
Purpose of the funding	Facilitating a nation dialogue of the AEWA meeting of parties.
Expected outputs	Hosting the 6th Session of the AEWA Meeting of Parties
Actual outputs achieved	6th Session of the AEWA Meeting of Parties
Amount received in current period (R'000)	R00.00
Amount spent by the department (R'000)	R00.00
Reasons for the funds unspent	Awaiting claims for payment
Monitoring mechanism by the donor	Reporting on Progress to Donor

#### Donor Fund: United Nations Development Programme: Hazardous Material Management Programme

Name of donor	United Nations Development Programme
Full amount of the funding	R2 192 464.56
Period of the commitment	Not specified
Purpose of the funding	Hazardous Material Management Programme
Expected outputs	Development of the hazardous material management programme
Actual outputs achieved	Project completed
Amount received in current period (R'000)	R00.00
Amount spent by the department (R'000)	R00.00
Reasons for the funds unspent	Donor funded project completed, await final funds transfer from RDP Funds
Monitoring mechanism by the donor	Reporting to Donor

#### Donor Fund: United Nations Development Programme: Payment for Watershed Services

Name of donor	United Nations Development Programme
Full amount of the funding	R646 718.30
Period of the commitment	Not specified
Purpose of the funding	Payment for Watershed Services
Expected outputs	Watershed Services
Actual outputs achieved	Achieved and Finalised
Amount received in current period (R'000)	R00.00
Amount spent by the department (R'000)	R00.00
Reasons for the funds unspent	Balance of R22 718,30 to be returned to Donor
Monitoring mechanism by the donor	Reporting to Donor

#### Donor Fund: Australia: Funding Agreement in Relation to South Africa Land Sector

Name of donor	Australia
Full amount of the funding	R7 262 000
Period of the commitment	March 2013 to February 2015
Purpose of the funding	Land sector measurements, reporting and verification capacity building project
Expected outputs	Established MRV capacity building project
Actual outputs achieved	Established MRV capacity building project
Amount received in current period (R'000)	R00.00
Amount spent by the department (R'000)	R29
Reasons for the funds unspent	Balance of R681m surrendered to Donor
Monitoring mechanism by the donor	Audited financial statements each year to Donor

**Donor Fund: Botswana: Transfrontier Conservation Areas (TFCA Strategy)**

Name of donor	Botswana
Full amount of the funding	R376 000
Period of the commitment	Not specified
Purpose of the funding	Investment and Infrastructure Development Projects under the Transfrontier Conservation Area Development Programme
Expected outputs	Development and/or packaging of cross-border tourism products in TFCA's increasing worldwide knowledge of tourism activities in TFCAs thereby generating interest to visit; and developing a pipeline of investment opportunities in TFCAs and facilitating their development in order to enhance the attractiveness of these destinations
Actual outputs achieved	Programme under implementation
Amount received in current period (R'000)	R00.00
Amount spent by the department (R'000)	R00.00
Reasons for the funds unspent	Awaiting claims for payment
Monitoring mechanism by the donor	Reporting on Progress to Donor

**Donor Fund: Germany: 1st Biennial Updated Report: Compilation, review and publication: Prometium Carbon Programme**

Name of donor	Germany
Full amount of the funding	R1 254 298, 00
Period of the commitment	October 2013 to March 2014
Purpose of the funding	Compilation, review and publication of the 1st Biennial Updated Report: Prometium Carbon Programme
Expected outputs	1st Biennial Updated Report, compiled, reviewed and published
Actual outputs achieved	Project Completed
Amount received in current period (R'000)	R00.00
Amount spent by the department (R'000)	R00.00
Reasons for the funds unspent	Project finalised, await funds transfer from RDP Fund to close account
Monitoring mechanism by the donor	Project Progress Reports to Donor

**Donor Fund: Germany: 1st Biennial Updated Report: Compilation, review and publication: Climate Support Programme**

Name of donor	Germany
Full amount of the funding	R1 254 298, 00
Period of the commitment	October 2013 to March 2014
Purpose of the funding	Compilation, review and publication of the 1st Biennial Updated Report: Climate Support Programme
Expected outputs	1st Biennial Updated Report, compiled, reviewed and published
Actual outputs achieved	Project Completed
Amount received in current period (R'000)	R00.00
Amount spent by the department (R'000)	R1 233
Reasons for the funds unspent	Balance of R792m surrendered to Donor
Monitoring mechanism by the donor	Project Progress Reports to Donor

**Donor Fund: Norway: Capacity Development within the South African National Greenhouse Gas Inventory Unit**

Name of donor	Norway
Full amount of the funding	2 826 633.17
Period of the commitment	October 2013 to March 2014
Purpose of the funding	Building capacity of (GHG) inventory unit to establish a National System of data collection and monitoring & evaluation system
Expected outputs	Capacity Development within the South African National Greenhouse Gas Inventory Unit
Actual outputs achieved	Project Completed
Amount received in current period (R'000)	R1 200
Amount spent by the department (R'000)	R668
Reasons for the funds unspent	Project finalised, await funds transfer from RDP Fund to close account
Monitoring mechanism by the donor	Project Progress Reports to Donor

## PART C: GOVERNANCE

### INPUT FOR ANNUAL REPORT 2017/18

#### 1 INTRODUCTION

The Department is Committed to maintain the highest standards of governance as this is fundamental to the management of public finances and resources. As required in terms of the provisions of the management of Public Finances Management Act, the department has developed and implemented effective, efficient and transparent systems of financial, risk management, internal control and maintains a system of internal audit under the control and direction of an audit committee complying with and operating in accordance with relevant regulations and instructions.

#### 2. RISK MANAGEMENT

The department follows an integrated approach towards Enterprise Risk Management and has adopted the Public Service Risk Management Framework in developing the approved risk management policy and strategy. During the planning process, strategic and operational risks are identified. Risks are continuously monitored to determine, amongst other things, new and emerging risks for the department. The Risk Management and Ethics Committee provides assurance to the Director-General and Audit and Risk Committee that risks are managed effectively. The Audit and Risk Committee provides independent and objective assurance on the effectiveness of the Enterprise Risk Management.

Progress on risk action plans is monitored quarterly by the Risk Management Unit in line with the Risk Appetite statement of the Department. The analysis and status of the risks are presented to the Risk Management and Ethics Committee, Audit and Risk Committee and Senior Managers of the department.

Key risk indicators are monitored quarterly to demonstrate the effectiveness of mitigation plans and provide improvements to the department's performance by effectively implementing the risk management process. Risk management surveys are conducted annually to determine the progress/understanding of risk management in the organisation.

The table below provide details on the 2017/18 strategic risks, mitigation plans and progress

RISK IDENTIFIED	MITIGATING PLANS	ANNUAL PROGRESS ON MITIGATION PLANS
Inability to achieve DEA's goals/priorities due to economic challenges	<ul style="list-style-type: none"><li>• Management Accounting reports to identify excessive spending trends.</li><li>• Re-prioritisation of resources across the Department of Environmental Affairs (DEA).</li><li>• Implement cost containment measures.</li></ul>	<ul style="list-style-type: none"><li>• Monthly Management Accounting Reports analysed and loaded on the dashboard and it is accessible.</li><li>• Monthly expenditure report analysed, feedback provided to Management meetings (presented to Portfolio Committee, 3D Management Meetings, Audit and Risk Committee Meeting).</li><li>• Monitored the implementation of the cost containment measures from National Treasury (e.g. Instruction note 4 related travel and subsistence).</li></ul>
Inadequate review and implementation of the Master System Plan (MSP)	<ul style="list-style-type: none"><li>• Review Master System Plan (MSP) with external assistance for the Enterprise Architecture, to ensure alignment to Department of Public Service and Administration (DPSA) requirements.</li><li>• Obtain approval for the Master System Plan (MSP).</li></ul>	<ul style="list-style-type: none"><li>• BCX appointed (27 June 2017) for the review of the Master System Plan (MSP). Information Technology (IT) Governance Assessment concluded.</li><li>• Master System Plan (DEA Information Communications Technology Strategic Plan) has been approved by the DG. EDMS 171263.</li></ul>



The table below provide details on the 2017/18 strategic risks, mitigation plans and progress (continued)

RISK IDENTIFIED	MITIGATING PLANS	ANNUAL PROGRESS ON MITIGATION PLANS
Environmental sustainability and resilience compromised	<ul style="list-style-type: none"> <li>• Implementation of national strategy for the safety and security of wildlife.</li> <li>• Implementation of the air quality licensing system.</li> <li>• Development of the National Climate Change Legal Framework.</li> <li>• Development of the national chemicals management policy.</li> </ul>	<ul style="list-style-type: none"> <li>• Rhino Lab Action Plan developed.</li> <li>• Processing Support: All the Priority Area networks subscription to the asset management system has been initiated.</li> <li>• The Climate Change Legal Framework has been presented to the FOSAD ESEID Cluster on 15 March 2018 and was positively supported to be submitted to Cabinet Committee and Cabinet for approval.</li> <li>• Development of the national chemicals management policy</li> <li>• Stakeholder consultation on Chemicals Risk Assessment held on 21 February 2018.</li> <li>• Initial SEIAS with the Department of Planning, Monitoring and Evaluation (DPME) plus comments</li> <li>• 3ESEID Document: ESEID Presentation (15 February); Cabinet memo, Cluster documents, Briefing notes for Cluster (07 March) and Cabinet Meeting (14 March 2018).</li> <li>• Minutes and Comments for the 21st February 2018 Risk Assessment &amp; Multi Stakeholder Committee for Chemicals Management (MCCM) meeting on Policy.</li> </ul>
Inadequate socio-economic opportunities created	<ul style="list-style-type: none"> <li>• Number of Events held to raise awareness and increase community benefits derived from biodiversity.</li> <li>• Monitor number of work opportunities created.</li> </ul>	<ul style="list-style-type: none"> <li>• Six (6) cross border interventions implemented. Exhibited at the Cape Town Cycle Tour Expo and ITB with co-exhibitors Great Limpopo Cycle Trail, the Nedbank Tour de Tuli with co exhibitors Wildrun Africa, Nedbank Tour de Tuli, Kaza Collection.</li> <li>• 71 6843 (Women – 55%; Youth – 65% &amp; People with Disabilities – 2%)</li> </ul>

### 3. FRAUD AND CORRUPTION

The department has an approved fraud and corruption policy and prevention plan which is implemented effectively through awareness campaigns. The department supports the National Anti-Corruption Hotline (NACH) which is administered by the Public Service Commission and employees are encouraged to make confidential disclosures in relation to suspected fraud and corruption to the Hotline as an alternative to the internal reporting facilities. The Environmental Hotline administered by the department, is used for the reporting of allegations of environmental crimes.

Extensive awareness drives to communicate the various mechanisms to report allegations of fraud and corruption have been conducted with employees and other stakeholders including the installation of posters at strategic entry points to the department and the inclusion of the NACH number on Supply Chain Management Order Forms. Awareness campaigns have proved to be effective and have improved the participation of employees in uncovering and dealing with fraud and/or corruption.

All allegations of fraud and corruption are either investigated, or have been referred to the external organisations responsible for further investigation. The department has internal investigative capacity and has investigated allegations, with some assistance from external service providers in complex cases.

In order to provide assurance on the handling of allegations, the outcomes of investigations are communicated to the Public Service Commission, where applicable, and information regarding the outcomes of the investigations are appropriately disseminated, subject to legal constraints.

#### 4. MINIMISING CONFLICT OF INTEREST

The Department submitted 99.6% (522/524) financial disclosures for 2017/18 financial year. In addition, in the Bid Evaluation Committee proceedings members of the committee are required to sign disclosures of interest. As part of Human Resource Management practice during the recruitment and selection process, members of the selection panel are also required to declare their relationship or any potential conflict of interest, which may arise from knowing or previous association with candidates being assessed.

Furthermore, the Department has established a relationship with CIPRO and was granted permission to access database of all registered businesses to verify information contained in disclosure forms on directorship in companies.

#### 5. CODE OF CONDUCT

The Department has adopted the Public Service Code of Conduct for implementation. Newly recruited employees in the Department are made aware of the Code during their induction sessions with the aim of enhancing awareness and compliance by all employees. Normal disciplinary measures and procedures are followed in accordance with the disciplinary code to address any contravention of the Code of Conduct and any other policies. Ethical behaviour under all circumstances and at all times is also underpinned by the Department's Values and recognised in the Departmental Batho Pele Awards Scheme.

#### 6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department Occupational Health and Safety policy and procedure on how to report an injury on duty and occupational diseases is under review to also cover other parts of the Department. Health and Safety awareness sessions/presentations for regional offices and Local Government Support officials are being facilitated on a continuous basis on Occupational Health and Safety and COID service offerings in a form of presentations and posters. In all areas where required, safety clothing and equipment is procured for use by employees in carrying out their duties. Health and safety inspections are conducted on a continuous basis and corrective measures implemented.

Health and Safety representatives for both the Head office and regional offices were trained and legally appointed to assist in ensuring compliance in the department and to serve as emergency teams. Emergency preparedness plan was also done for Head office.

Health and Safety procedures were also developed, and Health and safety committees were established and coordinated on lower level and higher level to ensure proper implementation of OHS Management System in the Department.

Emergency evacuation drill was also conducted for Head Office (Environment House) to ensure compliance and also as a requirement to Occupational Health and Safety Act 85 of 1993.

Occupational Health and Safety site Inspections and HIRA (Hazardous Identification and Risk Assessment) are conducted to ensure compliance and recommendations on corrective measures.

Establishment of OHS and appointment of practitioners assisted DEA in realising the level of compliance required in terms of the Act and how to minimise the risk to the department. The successful applicants that go to the Antarctica and Islands were given Safety Awareness before they left and on arrival in their respective bases. Procurement of the safety clothing is a continuous exercise. The clothing purchased is also for easy identification of staff during site visits and other excursions relating to the work of Oceans and Coast Branch.

Procurement of Health and Safety related equipment such as First Aid kit and content, high visibility reflector vest for DEA emergency team and OHS Act booklets were done for both Head Office and regional office Safety Health and Environment representative.

The Department has initiated a quarterly OHS reporting process that enable all branches to report and address incidents as they happen. This has assisted the organization to address injuries on duty efficiently.

#### 7. PORTFOLIO COMMITTEE SITTINGS

The Portfolio Committee exercises oversight over the service delivery performance of departments.

- Dates of meetings scheduled with Portfolio Committee on Environmental Affairs in 2017/18 as follows: A total of all 37 meetings where honoured. 2 (Two) oversight visits completed in addition to 9 Public Hearings which were held in the coastal provinces (Western Cape, Eastern Cape, KwaZulu Natal & Northern Cape) for the Marine Spatial Planning Bill.

FIRST TERM	SECOND TERM	THIRD TERM	FOURTH TERM
		3, 4, 10, 12, 17, 24, October 2017	30, 31 January 2018
2, 3, 9, 16, 23, 30 May 2017	22, 29 August 2017	1, 7, 8, 21, 22, 28 November 2017	6, 20, 27 February 2018
7, 13, 20, 21 June 2017	1, 5, 12, 13, September 2017		13, 20, 27, 28 March 2018

The department has a management system which ensures that all matters raised by the Portfolio Committee are attended to and addressed with the agreed timeframe following the meeting on which they are raised. All matters raised by the committee's during the period under review were addressed. The department addresses matters raised in a number of ways depending on the nature of the issues. The intervention by management includes the following:

- Providing clarity on issues raised during briefings or providing feedback/progress during the next meeting with the committee e.g. levels of management for vacancy and turnover rates; as well as those with disabilities.
- Submission of progress reports to address matters raised during committee briefings on strategic plan of the department, budget vote, policy and legislation.

- Incorporated committee input on the strategic plan of the department following briefing on the draft strategic plan.
- Submission of written responses to issues raised on matters related to constituency work members (e.g. Atmospheric emissions criminal enforcement actions taken by DEA, Report on applications for postponement of compliance to minimum emission standards).
- Submission of documents requested for information purposes (e.g. Working on Fire Detailed Report)

## 8 SCOPA RESOLUTIONS

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
None				

## 9 PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
The department did not accurately account for expenditure made to implementing agents	2016/17	Office of the Accountant General issued a new position paper on the 30th of April 2018 for direction. In progress of resolving
The department did not accurately account for pre-payments made to implementing agents	2016/17	
The department did not accurately amend the appropriation statement when re-classifying their expenditure	2016/17	
The department did accurately account for assets in their financial statements when making use of implementing agents	2016/17	
The department did not make any disclosure in accordance with chapter 16 of the MCS when making use of implementing agents.	2016/17	
Due to the department not following the principles of MCS when transacting with implementing agents, it was noted that implementing agents who did not belong to government did not follow SCM regulations set by government.	2016/17	

## 10 INTERNAL CONTROL UNIT

The Department does not have an internal control unit. However, a section performing the minimum internal financial controls has been established.

## 11 INTERNAL AUDIT AND AUDIT COMMITTEES

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

### Audit & Risk Committee Members and Attendance

The Audit & Risk Committee consists of four (4) external and two (2) ex-officio members listed hereunder.

During the year under review four (4) meetings were held.

NAME OF MEMBER	NUMBER OF MEETINGS ATTENDED
Prof DP vd Nest: (Chairperson)	3
Dr P Hanekom: (External member)	4
Ms S Padayachy: (External member)	3
Ms F Tshikhudo: (External Member)	3
Ms L Makotoko: (Ex- Officio: COO)	3
Ms E Makau: (Ex-Officio: CFO)	4

The Auditor-General of South Africa, National Treasury, Internal Audit and the Accounting Officer were also invited to the meetings.

### AUDIT & RISK COMMITTEE RESPONSIBILITY

The Audit & Risk Committee reports that it has discharged its responsibilities arising from section 38(1) (a) of the PFMA and Treasury Regulations 3.1. The Audit & Risk Committee has adopted an appropriate formal terms of reference as its Audit & Risk Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all of its responsibilities as contained therein.

### The effectiveness of internal control

The results of the internal audit process indicated that controls have been operating as intended in the majority of the areas in the Department. Some areas exist where the internal control system is adequate but not effective, as identified during the internal audits conducted. During the financial year the Audit & Risk Committee met with management on a quarterly basis to track their progress in resolving outstanding internal control issues previously raised by the Auditor-General and Internal Audit.

The Audit & Risk Committee has considered and evaluated the Internal Audit reports and is satisfied with management's responses and action plans to address the internal control matters identified through Internal Audit.

It is our opinion that controls at the Department are generally adequate, effective and designed to provide assurance that transactions are concluded in accordance with management authority, assets are protected and that financial transactions are properly recorded.

## THE QUALITY OF IN-YEAR MANAGEMENT AND MONTHLY/QUARTERLY REPORTS SUBMITTED IN TERMS OF THE PFMA

The Audit & Risk Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Department during the year under review. These reports enabled the Audit & Risk Committee to adequately exercise oversight in terms of its Charter.

The performance information of the Department was of a good quality and no findings were raised by Internal Audit in this regard. The Audit & Risk Committee has ensured, principally through the Internal Audit Function, that the systems of performance measurement and reporting, as well as the systems of internal control that underpin the performance management framework of the Department, remain robust and are addressed routinely in the audit plans. Assurance was also obtained from management and Internal Audit that the Department's performance management system adequately and effectively reports appropriate and relevant information.

## EVALUATION OF ANNUAL FINANCIAL STATEMENTS

The Audit & Risk Committee has:

- Reviewed and discussed the annual financial statements to be included in the annual report, with the Auditor-General South Africa and the Accounting Officer;
- Reviewed the Department's compliance with legal and regulatory provisions;
- Reviewed the information on pre-determined objectives to be included in the annual report; and
- Reviewed the quality and timeliness of the financial information availed to the Audit & Risk Committee for oversight purposes during the year

The Department's performance in terms of finances and pre-determined objectives has been adequately reported at each Audit & Risk Committee meeting. The annual financial statements were timeously submitted to the Auditor-General after review by management and the Audit & Risk Committee.

It is our opinion that the annual financial statements accurately reflect the classification of finances in line with the guidance received from the Office of the Accountant-General.

### Internal Audit

The Internal Audit Function conducts its affairs in terms of an approved Internal Audit Charter and Methodology. During the year under review, a reasonable amount of internal audit work was performed in the Department. A risk-based internal audit plan was developed and implemented by the Internal Audit Function for 2017/2018. Progress on the execution of the plan was monitored and reported at each Audit & Risk Committee meeting.

Our review of the findings of the internal audit work revealed certain weaknesses which were then raised with management. A system to track the implementation of internal audit recommendations is in place to ensure that the internal control environment is reviewed and enhanced to improve executing processes.

The Audit & Risk Committee is therefore satisfied that the Internal Audit Function is operating effectively and that it has provided reasonable assurance on controls around the risks pertinent to the Department in its final audit reports.

### Risk Strategy

The Audit & Risk Committee confirmed that the Department has a Risk Management and Ethics Committee which serves as the risk committee for the Department. The Department has a risk management strategy and fraud prevention plan that is implemented and reported to the Audit & Risk Committee at each meeting. Risk assessments in the Department are conducted annually and strategies are formulated to mitigate the identified risks, which are also reported to the Audit & Risk Committee. The Department has developed a combined assurance plan to assist in the monitoring of the mitigation of key strategic and operational risks.

### Auditor-General South Africa

The Audit & Risk Committee noted the Auditor-General's report and opinion with concern. The major findings are still as a result of a difference in the interpretation of the application of the Modified Cash Standards (MCS) and the resulting disclosure of the transfer of funds to Environmental Projects in the financial statements.

In spite of assistance provided to the Department by the Accountant-General with the interpretation of the MCS, the Auditor-General still disagrees with the format in which payments to environmental projects are disclosed in the financial statements.

### Conclusion

The Auditor-General's opinion is concerning and management is in the process of adapting systems and processes to be able to comply with the Auditor-General's requirements. The Audit & Risk Committee is involved in the process and is monitoring the progress made in this regard.

Despite the adverse opinion of the Auditor-General, the Department has still performed well in all other aspects and the Audit & Risk Committee wishes to congratulate the Director-General, the Chief Operating Officer, Chief Financial Officer, Finance staff, management and all officials who have contributed to the success of the Department.



**PROF. D.P. VAN DER NEST**

**CHAIRPERSON OF THE AUDIT & RISK COMMITTEE**

**DATE: 31 JULY 2018**

## PART D: HUMAN RESOURCE MANAGEMENT

The information contained in this part of the annual report has been prescribed by the Minister for the Public Service and Administration for all departments in the public service.

### 1 INTRODUCTION

The need to attract and retain the best Human Resource talent in the labour market is an important element in enabling DEA to achieve its strategic goals and long term vision of a prosperous and equitable society living in harmony with the natural environment. The Department is committed to implementing effective Human Resources Management strategies and interventions to position itself as an employer of choice and enable us to attract and retain the best available talent in the market. The Department implements a number of key programmes to build capacity and enhances skills development, with a particular focus on the youth. In 2017/18 a total of thirty (30) deserving youth students received funding for full-time bursaries to study at Universities in various fields of environmental management, and hundred and eleven (102) young graduates were recruited in the Department's annual internship programme for a period of 12 months. These are important annual interventions aimed at sustaining our talent base.

The Department has a comprehensive Human Resource Plan which is implemented on an ongoing basis and reviewed regularly to ensure alignment with the overall strategy of the organization and changes in the environment. The key Human Resource Management interventions also include implementation of a Performance Management and Development System (PMDS) which is aimed at the development of our employees and ensuring sustained organisation performance. Monitoring of reports on implementation of the PMDS shows an overall good standing of compliance by employees with key requirements. The Department also has a comprehensive Employee Wellness Programme which offers on-going support to employees in effectively dealing with the demands of the work environment and other personal/societal factors which may have an impact on their performance. Ethical conduct is also promoted and underpinned by the department's Values and the related Batho-Pele Award Programme.

### 2 HUMAN RESOURCES OVERSIGHT STATISTICS

The department provide the following key information on its human resources. All the financial amounts agrees with the amounts disclosed in the annual financial statements. Reasons are provided for any variances.

#### 2.1 Personnel related expenditure

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- amount spent on personnel
- amount spent on salaries, overtime, homeowner's allowances and medical aid.

Table 3.1.1 Personnel expenditure by programme for the period 1 April 2017 and 31 March 2018

Programme	Total expenditure	Personnel expenditure	Training expenditure	Professional and Special Services expenditure	Personnel expenditure as a % of total expenditure	Average personnel cost per employee
	(R'000)	(R'000)	(R'000)	(R'000)		(R'000)
Administration	922 046	383 673.00	16 373.00	36 506.00	922 046	383 673.00
Legal,auth and compliance	165 441	114 591.00	1 750.00	10 882.00	165 441	114 591.00
Oceans and coasts	428 613	115 151.00	856.00	194 180.00	428 613	115 151.00
Climate change & air quality	294 887	56 480.00	364.00	15 717.00	294 887	56 480.00
Biodiversity & conservation	692 660	70 959.00	315.00	13 955.00	692 660	70 959.00
Environmental programmes	3 732 605	243 992.00	4 490.00	2 460 818.00	3 732 605	243 992.00
Chemicals & waste management	353 885	65 208.00	627.00	165 859.00	353 885	65 208.00
<b>TOTAL</b>	<b>6 590 137</b>	<b>1 050 054.00</b>	<b>24 775.00</b>	<b>2 897 917.00</b>	<b>6 590 137</b>	<b>1 050 054.00</b>

Table 3.1.2 Personnel costs by salary band for the period 1 April 2017 and 31 March 2018

Salary band	Personnel expenditure	% of total personnel cost	No. of employees	Average personnel cost per employee
	(R'000)			(R'000)
Skilled (Levels 3-5)	21 604.00	2.00	85.00	254 165.00
Highly skilled production (Levels 6-8)	232 125.00	21.00	652.00	356 020.00
Highly skilled supervision (Levels 9-12)	467 614.00	42.30	730.00	640 567.00
Senior management (Levels 13-16)	233 579.00	21.10	203.00	1 150 635.00
Contract (Levels 1-2)	968.00	0.10	2.00	484 000.00
Contract (Levels 3-5)	4 626.00	0.40	22.00	210 273.00
Contract (Levels 6-8)	19 645.00	1.80	74.00	265 473.00
Contract (Levels 9-12)	30 765.00	2.80	53.00	580 472.00
Contract (Levels 13-16)	30 093.00	2.70	28.00	1 074 750.00
Abnormal Appointment	9 035.00	0.80	256.00	35 293.00
<b>TOTAL</b>	<b>1 050 054.00</b>	<b>95.00</b>	<b>2 105.00</b>	<b>498 838.00</b>

Table 3.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2017 and 31 March 2017

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount	Salaries as a % of personnel costs	Amount	Overtime as a % of personnel costs	Amount	HOA as a % of personnel costs	Amount	Medical aid as a % of personnel costs
	(R'000)		(R'000)		(R'000)		(R'000)	
Administration	262 756.00	64.30	7 252.00	1.80	8 193.00	2.00	13 702.00	3.40
Legal,auth and compliance	80 930.00	70.10	188.00	0.20	2 207.00	1.90	3 700.00	3.20
Oceans and coasts	76 423.00	64.00	3 941.00	3.30	1 409.00	1.20	2 697.00	2.30
Climate change & air quality	38 980.00	64.90	0.00	0.00	1 206.00	2.00	1 279.00	2.10
Biodiversity & conservation	49 495.00	66.70	0.00	0.00	1 155.00	1.60	1 866.00	2.50
Environmental programmes	175 059.00	67.30	96.00	0.00	4 725.00	1.80	8 276.00	3.20
Chemicals & waste management	45 874.00	67.90	672.00	1.00	1 740.00	2.60	1 819.00	2.70
<b>TOTAL</b>	<b>729 517.00</b>	<b>66.00</b>	<b>12 149.00</b>	<b>1.10</b>	<b>20 635.00</b>	<b>1.90</b>	<b>33 339.00</b>	<b>3.00</b>

Table 3.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2017 and 31 March 2018

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount	Salaries as a % of personnel costs	Amount	Overtime as a % of personnel costs	Amount	HOA as a % of personnel costs	Amount	Medical aid as a % of personnel costs
	(R'000)		(R'000)		(R'000)		(R'000)	
Skilled (Levels 3-5)	16 100.00	73.90	454.00	2.10	1 186.00	5.40	1 872.00	8.60
Highly skilled production (Levels 6-8)	182 184.00	76.00	6 004.00	2.50	8 293.00	3.50	13 800.00	5.80
Highly skilled supervision (Levels 9-12)	236 726.00	46.90	4 849.00	1.00	7 710.00	1.50	14 341.00	2.80
Senior management (Levels 13-16)	203 604.00	84.00	227.00	0.10	3 229.00	1.30	3 110.00	1.30
Contract (Levels 1-2)	967.00	91.60	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Levels 3-5)	4 310.00	91.60	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Levels 6-8)	19 215.00	95.40	27.00	0.10	29.00	0.10	14.00	0.10
Contract (Levels 9-12)	29 543.00	95.00	35.00	0.10	68.00	0.20	54.00	0.20
Contract (Levels 13-16)	28 386.00	92.60	0.00	0.00	120.00	0.40	148.00	0.50
Abnormal Appointment	8 482.00	87.60	553.00	5.70	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>729 517.00</b>	<b>66.00</b>	<b>12 149.00</b>	<b>1.10</b>	<b>20 635.00</b>	<b>1.90</b>	<b>33 339.00</b>	<b>3.00</b>

## EMPLOYMENT AND VACANCIES

Table 3.2.1 Employment and vacancies by programme as on 31 March 2017

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Prog1/admin, Permanent	709.00	660.00	6.90	29.00
Prog2/lace, Permanent	191.00	182.00	4.70	1.00
Prog3/oc, Permanent	166.00	143.00	13.90	47.00
Prog4/cc&aq, Permanent	76.00	69.00	9.20	8.00
Prog5/b&c, Permanent	109.00	102.00	6.40	6.00
Prog6/envprog, Permanent	477.00	439.00	8.00	46.00
Prog7/chem&waste mng, Permanent	93.00	87.00	6.50	4.00
<b>TOTAL</b>	<b>1 821.00</b>	<b>1 682.00</b>	<b>7.60</b>	<b>141.00</b>

Table 3.2.2 Employment and vacancies by salary band as on 31 March 2018

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Skilled(3-5)	93.00	84.00	9.00	27.00
Highly skilled production (6-8)	739.00	671.00	68.00	38.00
Highly skilled supervision (9-12)	805.00	765.00	42.00	47.00
Senior management (13-16)	184.00	162.00	20.00	29.00
<b>TOTAL</b>	<b>1 821.00</b>	<b>1 682.00</b>	<b>139.00</b>	<b>141.00</b>

Table 3.2.3 Employment and vacancies by critical occupations as on 31 March 2018

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related, Permanent	280.00	262.00	6.40	16.00
Agricul animal oceanography forestry & other scien, Permanent	85.00	77.00	9.40	1.00
Head of department/chief executive officer, Permanent	1.00	1.00	0.00	0.00
Natural sciences related, Permanent	405.00	379.00	6.40	3.00
Senior managers, Permanent	184.00	162.00	11.90	29.00
<b>TOTAL</b>	<b>955.00</b>	<b>881.00</b>	<b>7.70</b>	<b>49.00</b>



## FILLING OF SMS POSTS

Table 3.3.1 SMS post information as on 31 March 2018

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department-16	1.00	1.00	100.00	0.00	0.00
Salary Level 15	11.00	9.00	81.00	3.00	19.00
Salary Level 14	48.00	39.00	81.00	9.00	19.00
Salary Level 13	137.00	126.00	91.00	11.00	9.00
<b>TOTAL</b>	<b>197.00</b>	<b>174.00</b>	<b>88.00</b>	<b>23.00</b>	<b>12.00</b>

Table 3.3.2 SMS post information as on 30 September 2017

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department-16	1.00	1.00	100%	0	0.00
Salary Level 15	11.00	9.00	82.00	2	18.00
Salary Level 14	48.00	41.00	84.00	7	16.00
Salary Level 13	137.00	126.00	92.00	11	8.00
<b>TOTAL</b>	<b>197.00</b>	<b>177.00</b>	<b>90.00</b>	<b>20</b>	<b>10.00</b>

Table 3.3.3 Advertising and filling of SMS posts for the period 1 April 2017 and 31 March 2018

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months of becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Director-General/ Head of Department-16	0.00	0.00	0.00
Salary Level 15	0.00	0.00	0.00
Salary Level 14	0.00	0.00	1.00
Salary Level 13	8.00	1.00	8.00
<b>TOTAL</b>	<b>8.00</b>	<b>1.00</b>	<b>9.00</b>

Table 3.3.4 Reasons for not having complied with the filling of funded vacant SMS posts - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2017 and 31 March 2018

Reasons for vacancies not advertised within six months
Moratorium on filling of vacancies delays the process of advertising them.
Reasons for vacancies not filled within twelve months
Moratorium on the filling of posts due to cost cutting measures and evaluation of human resource demands

Table 3.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2017 and 31 March 2018

Disciplinary steps taken
None

## Job Evaluation

Table 3.4.1 Job Evaluation by Salary band for the period 1 April 2017 and 31 March 2018

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Skilled (Levels 3-5)	93.00	74.00	79.60	0.00	0.00	0.00	0.00
Highly skilled production (Levels 6-8)	739.00	700.00	94.70	0.00	0.00	0.00	0.00
Highly skilled supervision (Levels 9-12)	805.00	800.00	99.40	0.00	0.00	0.00	0.00
Senior Management Service Band A	133.00	133.00	100.00	0.00	0.00	0.00	0.00
Senior Management Service Band B	41.00	40.00	97.60	0.00	0.00	0.00	0.00
Senior Management Service Band C	9.00	9.00	100.00	0.00	0.00	0.00	0.00
Senior Management Service Band D	1.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>1 821.00</b>	<b>1 756.00</b>	<b>96%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

### Note: Permanent Posts

Posts not evaluated during this year did not require evaluation as they were still within the 3 year validity period since the previous evaluation. The Minister and Deputy Minister posts are not included in this category even though are classified as permanent posts on the establishment

Table 3.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2017 and 31 March 2018

Gender	African	Asian	Coloured	White	Total
Female	0.00	0.00	0.00	0.00	0.00
Male	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Employees with a disability					0.00

Table 3.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2017 and 31 March 2018

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Chief Director L14	2.00	14.00	15.00	Retention
Secretary / Receptionist L6	1.00	6.00	7.00	Grade Progression
Assistant Director: Demand Management L9	1.00	9.00	10.00	Grade Progression
Provisioning Administration Clerk Iii: Senior L6	1.00	6.00	7.00	Retention
Accounting Clerk Iii: Senior L6	1.00	6.00	7.00	Grade Progression
Environmental Officer Control Grade A	21.00	10.00	12.00	Grade Progression
Environmental Officer Production Grade A	1.00	9.00	10.00	Grade Progression
Architect Production Grade A	1.00	11.00	12.00	Grade Progression
Gisc Professional Chief Grade A	1.00	10.00	12.00	Grade Progression
Gisc Technician Production Grade A	1.00	8.00	9.00	Grade Progression
Environmental Officer Specialised Production	1.00	9.00	10.00	Grade Progression
Administrative Officer L7	2.00	7.00	8.00	Retention
Administration: Deputy Director L11	2.00	11.00	12.00	Retention
Office Administrator I L6	2.00	6.00	7.00	Retention
Mr5 Legal Administration Officer Grade 5	1.00	10.00	12.00	Retention
Policy Analyst L11	2.00	11.00	12.00	Retention
<b>Total number of employees whose salaries exceeded the level determined by job evaluation</b>				<b>41.00</b>
<b>Percentage of total employed</b>				<b>2.00</b>

Table 3.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2017 and 31 March 2018

Gender	African	Asian	Coloured	White	Total
Female	13.00	1.00	0.00	5.00	19.00
Male	19.00	1.00	0.00	2.00	22.00
<b>TOTAL</b>	<b>32.00</b>	<b>2.00</b>	<b>0.00</b>	<b>7.00</b>	<b>0.00</b>

Employees with a disability	0.00
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<b>Total number of Employees whose salaries exceeded the grades determine by job evaluation</b>	<b>41.00</b>
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### Employment Changes

Table 3.5.1 Annual turnover rates by salary band for the period 1 April 2017 and 31 March 2018

Salary band	Number of employees at beginning of period-April 2016	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Skilled (Levels3-5)	87.00	3.00	4.00	4.60
Highly skilled production (Levels 6-8)	704.00	11.00	34.00	4.80
Highly skilled supervision (Levels 9-12)	770.00	9.00	25.00	3.20
Senior Management Service Bands A	126.00	1.00	13.00	10.30
Senior Management Service Bands B	38.00	0.00	7.00	18.40
Senior Management Service Bands C	7.00	0.00	1.00	14.30
Senior Management Service Bands D	1.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>1 733.00</b>	<b>24.00</b>	<b>84.00</b>	<b>4.80</b>

Table 3.5.2 Annual turnover rates by critical occupation for the period 1 April 2017 and 31 March 2018

Critical occupation	Number of employees at beginning of period-April 2017	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related, Permanent	257.00	5.00	16.00	6.20
Agricul animal oceanography forestry & other science, Permanent	87.00	2.00	3.00	3.40
Head of department/chief executive officer, Permanent	1.00	0.00	0.00	0.00
Natural sciences related, Permanent	383.00	5.00	14.00	3.70
Senior managers, Permanent	172.00	1.00	13.00	7.60
<b>TOTAL</b>	<b>900.00</b>	<b>13.00</b>	<b>46.00</b>	<b>5.10</b>

Table 3.5.3 Reasons why staff left the department for the period 1 April 2017 and 31 March 2018

Termination Type	Number	% of Total Resignations
Death, Permanent	5.00	6.00
Resignation, Permanent	60.00	71.40
Initiated severance package	5.00	6.00
Dismissal-misconduct, Permanent	1.00	1.20
Retirement, Permanent	13.00	15.50
<b>TOTAL</b>	<b>84.00</b>	<b>100.00</b>
<b>Total number of employees who left as a % of total employment</b>	<b>1682</b>	<b>4.80</b>

Table 3.5.4 Promotions by critical occupation for the period 1 April 2017 and 31 March 2018

Occupation	Employees 1 April 2017	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative related, Permanent	257.00	5.00	1.90	194.00	75.50
Agricul animal oceanography forestry & other scien, Permanent	87.00	2.00	2.30	45.00	51.70
Head of department/chief executive officer, Permanent	1.00	0.00	0.00	0.00	0.00
Natural sciences related, Permanent	383.00	5.00	14.00	3.70	0.90
Senior managers, Permanent	172.00	0.00	0.00	144.00	83.70
<b>TOTAL</b>	<b>900.00</b>	<b>12.00</b>	<b>1.30</b>	<b>386.70</b>	<b>43.00</b>

Table 3.5.5 Promotions by salary band for the period 1 April 2017 and 31 March 2018

Salary Band	Employees 1 April 2017	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Skilled (Levels3-5)	87.00	0.00	0.00	58.00	66.70
Highly skilled production (Levels 6-8)	704.00	3.00	0.40	510.00	72.40
Highly skilled supervision (Levels 9-12)	770.00	6.00	0.80	543.00	70.50
Senior Management (Level 13-16)	172.00	3.00	1.70	144.00	83.70
<b>TOTAL</b>	<b>1 733.00</b>	<b>12.00</b>	<b>0.70</b>	<b>1 255.00</b>	<b>72.40</b>

## Employment Equity

Table 3.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as on 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Professionals	107.00	16.00	5.00	13.00	130.00	15.00	7.00	19.00	312.00
Technicians And Associate Professionals	264.00	20.00	5.00	37.00	326.00	20.00	16.00	38.00	726.00
Labourers And Related Workers	8.00	4.00	0.00	0.00	7.00	1.00	0.00	0.00	20.00
Plant And Machine Operators And Assemblers	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Unknown	0.00	0.00	0.00	0.00	2.00	0.00	0.00	0.00	2.00
Service Shop And Market Sales Workers	32.00	1.00	0.00	0.00	12.00	0.00	0.00	0.00	45.00
Clerks	112.00	10.00	2.00	4.00	245.00	23.00	4.00	9.00	409.00
Senior Officials And Managers	59.00	12.00	14.00	9.00	47.00	3.00	7.00	11.00	162.00
Craft And Related Trade Workers	2.00	1.00	0.00	0.00	1.00	1.00	0.00	0.00	5.00
<b>Grand Total</b>	<b>585.00</b>	<b>64.00</b>	<b>26.00</b>	<b>63.00</b>	<b>770.00</b>	<b>63.00</b>	<b>34.00</b>	<b>77.00</b>	<b>1 682.00</b>
<b>Employees with disabilities</b>	<b>8.00</b>	<b>1.00</b>	<b>1.00</b>	<b>4.00</b>	<b>17.00</b>	<b>2.00</b>	<b>1.00</b>	<b>13</b>	<b>49</b>

Note: Excludes Minister and Deputy Ministers posts

Table 3.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management, Permanent	1.00	1.00	1.00	1.00	3.00	0.00	0.00	1.00	8.00
Senior Management, Permanent	57.00	11.00	13.00	9.00	44.00	3.00	7.00	10.00	154.00
Professionally qualified and experienced specialists and mid-management, Permanent	75.00	11.00	3.00	19.00	80.00	10.00	7.00	15.00	220.00
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	202.00	11.00	6.00	22.00	247.00	12.00	15.00	30.00	545.00
Semi-skilled and discretionary decision making, Permanent	214.00	24.00	3.00	12.00	359.00	33.00	5.00	21.00	671.00
Unskilled	36.00	6.00	0.00	0.00	37.00	5.00	0.00	0.00	84.00
<b>TOTAL</b>	<b>585.00</b>	<b>64.00</b>	<b>26.00</b>	<b>63.00</b>	<b>772.00</b>	<b>63.00</b>	<b>34.00</b>	<b>77.00</b>	<b>1 682.00</b>

Table 3.6.3 Recruitment for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management	4.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	5.00
Professionally qualified and experienced specialists and mid-management	6.00	0.00	0.00	0.00	13.00	0.00	2.00	2.00	23.00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	4.00	0.00	1.00	0.00	8.00	0.00	0.00	0.00	13.00
Semi-skilled and discretionary decision making	3.00	1.00	0.00	0.00	5.00	1.00	0.00	0.00	10.00
Unskilled and defined decision making	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>17.00</b>	<b>1.00</b>	<b>2.00</b>	<b>0.00</b>	<b>26.00</b>	<b>1.00</b>	<b>2.00</b>	<b>2.00</b>	<b>51.00</b>
Employees with disabilities	0.00	0.00	0.00	1.00	0.00	0.00	0.00	1.00	2.00

Table 3.6.4 Promotions for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (15-16)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management (13-14)	2.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	3.00
Professionally qualified and experienced specialists and mid-management (9-12)	6.00	0.00	0.00	0.00	8.00	0.00	2.00	0.00	16.00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents (6-8)	2.00	0.00	1.00	0.00	6.00	0.00	0.00	0.00	9.00
Semi-skilled and discretionary decision making (3-5)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unskilled and defined decision making (1-2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>10.00</b>	<b>0.00</b>	<b>2.00</b>	<b>0.00</b>	<b>14.00</b>	<b>0.00</b>	<b>2.00</b>	<b>0.00</b>	<b>28.00</b>
Employees with disabilities	1.00	0.00	0.00	1.00	1.00	0.00	0.00	1.00	4.00

Table 3.6.5 Terminations for the period 1 April 2017 to 31 March 2018

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1.00	0.00	0	0.00	0.00	0.00	0.00	0.00	1.00
Senior Management	2.00	1.00	1	4.00	1.00	0.00	1.00	2.00	12.00
Professionally qualified and experienced specialists and mid-management	12.00	1.00	0	4.00	13.00	2.00	1.00	3.00	36.00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	13.00	0.00	0.00	0.00	12.00	0.00	1.00	2.00	28.00
Semi-skilled and discretionary decision making	5.00	0.00	0.00	0.00	2.00	0.00	0.00	0.00	7.00
Unskilled and defined decision making	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>33</b>	<b>2</b>	<b>1</b>	<b>8</b>	<b>28</b>	<b>2</b>	<b>3</b>	<b>7</b>	<b>84.00</b>
<b>Employees with Disabilities</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>	<b>3.00</b>	<b>1.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>	<b>6.00</b>

Table 3.6.6 Disciplinary action for the period 1 April 2017 to 31 March 2018

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Irregular Procurement	0.00	1.00	0.00	0.00	1.00	0.00	0.00	0.00	2.00
Removal of state property	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Dereliction of duties	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Dishonest misrepresentation	1.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	2.00
Unauthorised expenditure	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Sexual harassment	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Misuse of state vehicle	1.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	2.00
Abuse of sick leave	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	1.00
Insubordination	0.00	0.00	0.00	0.00	2.00	0.00	0.00	0.00	2.00
Excessive absenteeism	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
Misuse of state funds	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	2.00
<b>TOTAL</b>	<b>8.00</b>	<b>2.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5.00</b>	<b>1.00</b>	<b>0.00</b>	<b>1.00</b>	<b>17.00</b>



Table 3.6.7 Skills development for the period 1 April 2017 to 31 March 2018

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, Senior Officials and Managers	28.00	3.00	8.00	4.00	28.00	4.00	2.00	2.00	79.00
Professionals	125.00	12.00	6.00	15.00	167.00	14.00	2.00	10.00	351.00
Technicians and Associate Professionals	96.00	12.00	1.00	6.00	97.00	7.00	3.00	8.00	230.00
Clerks	167.00	4.00	1.00	0.00	298.00	7.00	1.00	6.00	484.00
Service and Sales Workers	23.00	0.00	0.00	0.00	11.00	0.00	0.00	0.00	34.00
Skilled Agriculture and Fishery Workers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Craft and related Trades Workers / Labourers and related workers	7.00	8.00	0.00	0.00	12.00	4.00	0.00	0.00	31.00
Plant and Machine Operators and Assemblers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Elementary Occupations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employees with disabilities	3.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	5.00
<b>TOTAL</b>	<b>449.00</b>	<b>39.00</b>	<b>16.00</b>	<b>25.00</b>	<b>613.00</b>	<b>36.00</b>	<b>8.00</b>	<b>4.00</b>	<b>1214.00</b>

### Signing of Performance Agreements by SMS Members

Table 3.7.1 Signing of Performance Agreements by SMS members as on 31 May 2017

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department-16	1.00	1.00	1.00	100.00
Salary Level 15	10.00	9.00	9.00	100.00
Salary Level 14	45.00	42.00	39.00	93.00
Salary Level 13	135.00	128.00	125.00	98.00
<b>TOTAL</b>	<b>191.00</b>	<b>180.00</b>	<b>174.00</b>	<b>97.00</b>

Table 3.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2018

Reasons
Disagreement between supervisor and supervisee

Table 3.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2018

Reasons
None

### Performance Rewards

Table 3.8.1 Performance Rewards by race, gender and disability for the period 1 April 2016 to 31 March 2017

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	551.00	649.00	84.90	5 701.50	10 348.00
Female	716.00	813.00	88.10	7 136.60	9 967.00
Asian					
Male	23.00	26.00	88.50	300.00	13 043.00
Female	28.00	33.00	84.80	308.50	11 018.00
Coloured					
Male	60.00	70.00	85.70	584.10	9 735.00
Female	59.00	61.00	96.70	575.10	9 747.00
White					
Male	62.00	74.00	83.80	732.41	11 813.00
Female	62.00	72.00	86.10	674.00	10 871.00
Employees with a disability	47.00	51.00	92.20	466.40	9 923.00
<b>TOTAL</b>	<b>1 608.00</b>	<b>1 849.00</b>	<b>87.00</b>	<b>16 478.61</b>	<b>10 248.00</b>

Table 3.8.2 Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2017 to 31 March 2018

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
02 Skilled (Levels 3-5)	75.00	85.00	88.20	604.30	8 057.00	7.50
03 Highly Skilled Production (Levels 6-8)	606.00	652.00	92.90	5 381.00	8 880.00	60.60
04 Highly Skilled Supervision (Levels 9-12)	683.00	730.00	93.60	7 509.41	10 995.00	68.30
10 Contract (Levels 1-2)	4.00	2.00	200.00	25.40	6 350.00	0.40
11 Contract (Levels 3-5)	5.00	22.00	22.70	30.50	6 100.00	0.50
12 Contract (Levels 6-8)	9.00	74.00	12.20	81.50	9 056.00	0.90
13 Contract (Levels 9-12)	18.00	53.00	34.00	184.00	10 222.00	1.80
<b>TOTAL</b>	<b>1 400.00</b>	<b>1 618.00</b>	<b>86.50</b>	<b>13 816.11</b>	<b>9 869.00</b>	<b>140.00</b>

Table 3.8.3 Performance Rewards by critical occupation for the period 1 April 2016 to 31 March 2017

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related, Permanent	360.00	379.00	95.00	3 991.50	11 088.00
Agricul animal oceanography forestry & other scien, Permanent	70.00	77.00	90.90	712.00	10 171.00
Head of department/chief executive officer, Permanent	233.00	262.00	88.90	2 538.41	10 894.00
Natural sciences related, Permanent	0.00	1.00	0.00	0.00	0.00
Senior managers, Permanent	167.00	192.00	87.00	2 150.50	12 877.00
<b>TOTAL</b>	<b>830.00</b>	<b>911.00</b>	<b>91.00</b>	<b>9 392.41</b>	<b>11 316.00</b>

Table 3.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2016 to 31 March 2017

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	157.00	171.00	91.80	2 010.00	12 802.50	181 983.61
Band B	41.00	41.00	100.00	534.00	13 024.40	57 200.59
Band C	10.00	16.00	62.50	118.50	11 850.00	26 917.69
Band D	0.00	3.00	0.00	0.00	0.00	6 999.98
<b>TOTAL</b>	<b>208.00</b>	<b>231.00</b>	<b>90.00</b>	<b>2 662.50</b>	<b>12 800.50</b>	<b>273 101.86</b>

### Foreign Workers

The tables below summarise the employment of foreign nationals in the department in terms of salary band and major occupation.

Table 3.9.1 Foreign workers by salary band for the period 1 April 2017 and 31 March 2018

Salary band	01 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% Change
Highly skilled supervision (Levels 9-12)	8.00	72.70	7.00	70.00	- 1.00	100.00
Other	1.00	9.10	1.00	10.00	0.00	0.00
Senior management (Levels 13-16)	2.00	18.20	2.00	20.00	0.00	0.00
<b>TOTAL</b>	<b>11.00</b>	<b>100.00</b>	<b>10.00</b>	<b>100.00</b>	<b>- 1.00</b>	<b>100.00</b>

Table 3.9.2 Foreign workers by major occupation for the period 1 April 2017 and 31 March 2018

Major occupation	01 April 2017		31 March 2018		Change	
	Number	% of total	Number	% of total	Number	% Change
Administrative	1.00	9.10	1.00	10.00	0.00	0.00
Professionals and managers	8.00	72.70	8.00	80.00	0.00	0.00
Technicians and associated professionals	2.00	18.20	1.00	10.00	- 1.00	100.00
<b>TOTAL</b>	<b>11.00</b>	<b>100.00</b>	<b>10.00</b>	<b>100.00</b>	<b>- 1.00</b>	<b>100.00</b>

## Leave utilisation 2

Table 3.10.1 Sick leave for the period 1 January 2017 to 31 December 2017

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Contract (Levels 1-2)	3.00	0.00	2.00	0.20	2.00	1.00
Contract (Levels 13-16)	52.00	71.20	11.00	0.80	5.00	232.00
Contract (Levels 3-5)	16.00	12.50	10.00	0.80	2.00	11.00
Contract (Levels 6-8)	64.00	48.40	22.00	1.70	3.00	79.00
Contract (Levels 9-12)	146.00	82.90	25.00	1.90	6.00	381.00
Highly skilled production (Levels 6-8)	3 445.00	71.80	482.00	36.70	7.00	4 268.00
Highly skilled supervision (Levels 9-12)	3 448.00	75.00	525.00	40.00	7.00	8 471.00
Senior management (Levels 13-16)	737.00	74.50	130.00	9.90	6.00	2 888.00
Skilled (Levels 3-5)	582.00	71.00	106.00	8.10	5.00	428.00
<b>TOTAL</b>	<b>8 493.00</b>	<b>73.20</b>	<b>1 313.00</b>	<b>100.00</b>	<b>6.00</b>	<b>16 758.00</b>

Note: Includes contracts

Table 3.10.2 Disability leave (temporary and permanent) for the period 1 January 2017 to 31 December 2017

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Contract (Levels 9-12)	131.00	100.00	1.00	3.40	131.00	340.00
Highly skilled production (Levels 6-8)	486.00	100.00	9.00	31.00	54.00	533.00
Highly skilled supervision (Levels 9-12)	643.00	100.00	15.00	51.70	43.00	1 606.00
Senior management (Levels 13-16)	15.00	100.00	2.00	6.90	8.00	64.00
Skilled (Levels 3-5)	24.00	100.00	2.00	6.90	12.00	18.00
<b>TOTAL</b>	<b>1 299.00</b>	<b>100.00</b>	<b>29.00</b>	<b>100.00</b>	<b>45.00</b>	<b>2 561.00</b>

**Table 3.10.3 Annual Leave for the period 1 January 2017 to 31 December 2017**

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Contract (Levels 1-2)	166.00	22.00	8.00
Contract (Levels 13-16)	327.00	28.00	12.00
Contract (Levels 3-5)	193.00	23.00	8.00
Contract (Levels 6-8)	476.00	48.00	10.00
Contract (Levels 9-12)	582.00	45.00	13.00
Highly skilled production (Levels 6-8)	13 993.00	748.00	19.00
Highly skilled supervision (Levels 9-12)	15 820.84	805.00	20.00
Senior management (Levels 13-16)	4 935.00	226.00	22.00
Skilled (Levels 3-5)	2 116.00	199.00	11.00
<b>TOTAL</b>	<b>38 608.84</b>	<b>2 144.00</b>	<b>18.00</b>

**Table 3.10.4 Capped leave for the period 1 January 2017 to 31 December 2017**

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as at 31 March 2016
Contract (Levels 1-2)	0.00	0.00	0.00	0.00
Contract (Levels 13-16)	0.00	0.00	0.00	18.00
Contract (Levels 3-5)	0.00	0.00	0.00	0.00
Contract (Levels 6-8)	0.00	0.00	0.00	0.00
Contract (Levels 9-12)	0.00	0.00	0.00	0.00
Highly skilled production (Levels 6-8)	0.00	0.00	0.00	30.00
Highly skilled supervision (Levels 9-12)	20.00	4.00	5.00	34.00
Senior management (Levels 13-16)	41.00	9.00	5.00	31.00
Skilled (Levels 3-5)	0.00	0.00	0.00	32.00
<b>TOTAL</b>	<b>61.00</b>	<b>13.00</b>	<b>5.00</b>	<b>32.00</b>

Table 3.10.5 Leave payouts for the period 1 April 2017 and 31 March 2018

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Capped leave payouts on termination of service for current financial year	4 578.00	87.00	52 621.00
Current leave payout on termination of service for current financial year	410.00	16.00	25 625.00
<b>TOTAL</b>	<b>4 988.00</b>	<b>103.00</b>	<b>48 427.00</b>

#### HIV/AIDS & Health Promotion Programmes

Table 3.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	<p>Conduct HTC quarterly distribution of condoms and information pamphlets.</p> <p>Conduct gender dialogues on HIV issues.</p> <p>Implement HIV/AIDS related awareness sessions and provide counselling</p>

**Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)**

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	x		Mr Sandy Nyathi -Dir. Transformation, Employee Health and Wellness
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	x		There are five (5) dedicated staff members to promote Health and Wellbeing of Employees. The annual budget available is R990 000
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	x		Wellness management <ul style="list-style-type: none"> <li>• Health and Productivity Management.</li> <li>• HIV and TB Management.</li> <li>• Occupational Health and Safety Management</li> </ul>
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	x		OHS committee and Wellness Champions
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	x		<ul style="list-style-type: none"> <li>• THE Department has 4 approved Wellness policies Namely: HIV and TB Management Policy; Health and Productivity Management Policy; Wellness Management Policy and OHS/SHERQ policy</li> </ul>
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	x		Care and support services for HIV infected and affected employees are available  Counselling services are in place, and condoms are distributed in bathrooms on a regular bases  HIV and TB Management Policy in the workplace is in place
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	x		747 employees tested for HIV in the previous financial year. <ul style="list-style-type: none"> <li>• HCT done on quarterly basis</li> </ul>
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	x		<ul style="list-style-type: none"> <li>• Operational plans on the 4 pillars of EHW programmes are submitted to DPSA annually</li> <li>• Monthly and quarterly reports are provided to management on the implementation of EHW programmes</li> <li>• Quarterly implementation reports on HCT and EHW submitted to DPSA for MPAT purposes</li> </ul>



## Labour Relations

**Table 3.12.1 Collective agreements for the period 1 April 2015 and 31 March 2016**

Total number of Collective agreements

None

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

**Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2016 and 31 March 2018**

Outcomes of disciplinary hearings	Number	% of total
Dismissals	3.00	38.00
Three months suspension without pay	1.00	13.00
Demotion	1.00	13.00
Two months suspension without pay	1.00	13.00
Final written warning	2.00	25.00
<b>TOTAL</b>	<b>8.00</b>	<b>100.00</b>

**Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2017 and 31 March 2018**

Type of misconduct	Number	% of total
Irregular Procurement	2.00	14.00
Removal of state property	1.00	7.00
Dereliction of duties	1.00	7.00
Dishonest misrepresentation	2.00	14.00
Unauthorised expenditure	1.00	7.00
Sexual harassment	2.00	14.00
Misuse of state vehicle	2.00	14.00
Abuse of sick leave	1.00	7.00
Insubordination	1.00	7.00
Excessive absenteeism	1.00	7.00
<b>TOTAL</b>	<b>14.00</b>	<b>100.00</b>

**Table 3.12.4 Grievances logged for the period 1 April 2017 and 31 March 2018**

Grievances	Number	% of Total
Number of grievances resolved	40.00	93.00
Number of grievances not resolved	3.00	7.00
Number of grievances pending	0.00	0.00
<b>Total number of grievances lodged</b>	<b>43.00</b>	<b>100.00</b>

**Table 3.12.5 Disputes logged with Councils for the period 1 April 2017 and 31 March 2018**

Disputes	Number	% of Total
Number of disputes upheld	12.00	67.00
Number of disputes dismissed	6.00	33.00
<b>Total number of disputes lodged</b>	<b>18.00</b>	<b>100.00</b>

**Table 3.12.6 Strike actions for the period 1 April 2017 and 31 March 2018**

Total number of persons working days lost	0
Total costs working days lost	0
<b>Amount recovered as a result of no work no pay (R'000)</b>	<b>0</b>

**Table 3.12.7 Precautionary suspensions for the period 1 April 2017 and 31 March 2018**

Number of people suspended	2.00
Number of people who's suspension exceeded 30 days	2.00
Average number of days suspended	395.00
<b>Cost of suspension (R'000)</b>	<b>R86326.00</b>

## Skills development

This section highlights the efforts of the department with regard to skills development.

**Table 3.13.1 Training needs identified for the period 1 April 2016 and 31 March 2017**

Occupational category	Gender	Number of employees as at 1 April 2017	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	76.00	0.00	32.00	0.00	32.00
	Male	98.00	0.00	40.00	0.00	40.00
Professionals	Female	238.00	0.00	104.00	0.00	104.00
	Male	153.00	0.00	73.00	0.00	73.00
Technicians and associate professionals	Female	175.00	0.00	191.00	0.00	191.00
	Male	125.00	0.00	153.00	0.00	153.00
Clerks	Female	322.00	0.00	159.00	0.00	159.00
	Male	200.00	0.00	79.00	0.00	79.00
Service and sales workers	Female	117.00	0.00	35.00	0.00	35.00
	Male	23.00	0.00	39.00	0.00	39.00
Skilled agriculture and fishery workers	Female	0.00	0.00	0.00	0.00	0.00
	Male	0.00	0.00	0.00	0.00	0.00
Craft and related trades workers	Female	46.00	0.00	0.00	0.00	0.00
	Male	15.00	0.00	2.00	0.00	2.00
Plant and machine operators and assemblers	Female	0.00	0.00	0.00	0.00	0.00
	Male	0.00	0.00	0.00	0.00	0.00
Elementary occupations	Female	0.00	50.00	1.00	0.00	1.00
	Male	0.00	50.00	2.00	0.00	2.00
Sub Total	Female	979.00	50.00	522.00	0.00	522.00
	Male	779.00	50.00	388.00	0.00	388.00
<b>TOTAL</b>		<b>1757</b>	<b>100.00</b>	<b>910</b>	<b>910</b>	<b>910</b>

Table 3.13.2 Training provided for the period 1 April 2017 and 31 March 2018

Occupational category	Gender	Number of employees as at 1 April 2017	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	76.00		36.00	0.00	36.00
	Male	98.00		43.00	0.00	43.00
Professionals	Female	238.00		193.00	0.00	193.00
	Male	153.00		158.00	0.00	158.00
Technicians and associate professionals	Female	175.00		115.00	0.00	115.00
	Male	125.00		115.00	0.00	115.00
Clerks	Female	322.00		312.00	0.00	312.00
	Male	200.00		172.00	0.00	172.00
Service and sales workers	Female	117.00		11.00	0.00	11.00
	Male	23.00		23.00	0.00	23.00
Skilled agriculture and fishery workers	Female	0.00		0.00	0.00	0.00
	Male	0.00		0.00	0.00	0.00
Craft and related trades workers	Female	46.00		0.00	0.00	0.00
	Male	15.00		0.00	0.00	0.00
Plant and machine operators and assemblers	Female	0.00		0.00	0.00	0.00
	Male	0.00		0.00	0.00	0.00
Elementary occupations	Female	0.00		16.00	0.00	16.00
	Male	0.00		15.00	0.00	15.00
Sub Total	Female	979.00	50.00	683.00	0.00	683.00
	Male	779.00	50.00	526.00	0.00	526.00
<b>TOTAL</b>		<b>1757</b>	<b>100.00</b>	<b>1209.00</b>	<b>0.00</b>	<b>1209.00</b>

### Injury on duty

The following tables provide basic information on injury on duty.

**Table 3.14.1 Injury on duty for the period 1 April 2016 and 31 March 2017**

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>

### Utilisation of Consultants

**Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2017 and 31 March 2018**

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
<b>Zenande Leadership Consulting</b>	<b>3</b>	<b>12</b>	<b>R 41 040,00</b>
OR-046380			
Request for approval to participate in Coaching Intervention: Mr. Makgale Moela			
<b>Boikano Accountants</b>	<b>Not indicated</b>	<b>6</b>	<b>R 490 000,00</b>
OR-046315			
Request for the DG to approve the appointment of a service provider to conduct an audit of the GEF Funded project on the compilation of the TNC report and BUR-2 to the UNFCCC			
<b>Careways Wellness</b>	<b>2</b>	<b>12</b>	<b>R 500 000,00</b>
OR-047168			
The appointment of a service provider to render employee Health and wellness (EH&W) services to the Department of Environmental Affairs for a period of 12 mnths (1 year)			
<b>Game Rangers Association of Africa</b>	<b>1</b>	<b>12</b>	<b>R 498 850,00</b>
OR-047576			
Outsourcing of a service provider to incorporate South Africa's Ramsar sites into protected METT			
<b>Aptronics</b>	<b>3</b>	<b>1</b>	<b>R 1 258 985,01</b>
OR-047587			

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2017 and 31 March 2018 (continued)

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
The appointment of a service provider to provision a server infrastructure solution including hardware, software and related support and maintenance to host the online GIS based environmental screening application, ARCGIS platform and portal implementation and configuration project application and for the consolidation of the department's GIS applications for the period of 5 years			
<b>Aptronics</b>			
The appointment of the service provider to replace out of warranty server infrastructure hosted in Cape Town datacentres	3	1	R 1 412 876,19
OR-047552			
<b>LMNEXT UK Limited</b>	1	4	R 495 000,00
OR-047562			
Development and Implementation of a targeted and interactive digital marketing and social media campaign for transfrontier conservation areas (TFAs)			
<b>Business Connexion</b>	Not indicated	5	R 986 000,00
OR-047625			
The appointment of a service provider to assist DEA with the review and update of the Master systems plan (MSP)			
<b>Nurturing-Growth trading</b>	1	17	R 86 754,00
OR-047735			
Request for approval to participate in Coaching: Ms Wadzi Mandivenyi			
<b>Mothle Jooma Sabdia Incorporated</b>	3	3	R 500 000,00
OR-047907			
Request for approval of the appointment of Mothle Jooma Sabdia to provide the Chief Directorate Corporate Legal support and Litigation with support pertaining to the review of Legislation and other Legal documents			
<b>Jaymat Enviro Solutions CC</b>	1	1	R 177 954,00
OR-047917			
The appointment of a service provider to assist the Department of Environmental Affairs (DEA) to develop a comprehensive Business Plan to Establish a sustainable Commercial Venture on Aloe Ferox in Umzimkhulu Local Municipality of the Kwazulu-Natal Province			
<b>Eco Metrix Africa (PTY) LTD</b>	Not indicated	4	R 387 785,00
OR-047801			

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2017 and 31 March 2018 (continued)

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
The appointment of a service provider to develop the summary for Policy-makers report (SPM) of South Africa's 2nd Biennial update report to the united nations framework convention on climate change (UNFCCC)			
<b>GP Infotech CC</b>	2	4	R 5 059 772,58
OR-048019			
The design, development and Implementation of a system that will manage information from the implementation of Industry Waste Management Plans			
<b>SRK Consulting South Africa (PTY) LTD</b>	7	4	R 348 910,00
OR-047996			
The appointment of an Independent service provider to assist with the review of the 2012 National Framework for Air Quality Management			
<b>Nurturing growth trading</b>	1	8	R 41 245,20
OR-048372			
The Executive Coaching of Ms Lindiwe Olga Chauke			
<b>Specialised skills Inst of SA</b>	3	20	R 200 000,00
OR-048207			
Request to appoint a service provider to investigate alleged incompatibility			
<b>Nurturing growth trading</b>	1	9	R 45 508,80
OR-048371			
The Executive Coaching of Mr Barney Kgope			
<b>2Connect</b>	1	6	R 448 375,24
OR-048451			
Appointment of 2Connect to conduct Team Coaching for Isimangaliso Wetland Park			
<b>Change Partners Coaching</b>	2	4	R 104 798,28
OR-048638			
Appointment of Change partners to provide coaching intervention to directorate:Natural Resource Management (Northern Programmes)			

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2017 and 31 March 2018 (continued)

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
<b>I-Sizezi Training and Consulting</b>	<b>Not indicated</b>	<b>1</b>	<b>R 404 550,00</b>
OR-048769			
Workshop of 90 officials on JBCC,GCC and NEC forms of contract			
E1370: the appointment of a service provider to compile the 3rd south africa environment outlook synthesis report on behalf of the department of environmental affairs	10	12 Months	R1 600 000,00
E1386: the appointment of a service provider to revise guidelines for the administration of incidents as contemplated in section 30 of national environmental management act (nema) as amended.	5	12 Months	R2 331 813,00
E1391: the appointment of a service provider to conduct skills audit, identify business opportunities and develop training programmes for selected communities surrounding protected areas	5	6 Months	1 489 373,60
E1388: the appointment of a panel of experts to assist the department of environmental affairs in the implementation of the biodiversity economy	2	36 Months	Applicable rates
E1389:the appointment of the service provider to service providers to conduct feasibility studies to determine the optimal economic benefits that communities can derive from their communal areas and development of associated business plans, for the 6 independent clustered sites	8	6 Month	5Million
E1390: the appointment of the service provider(s) to support the development of 4 municipal integrated waste management plans (iwmps)	6	18 Months	795 568,80
E1399: the appointment of the service provider to develop the 3rd national waste management strategy of south africa	7	12 Months	1 786 800,00
E1394: the appointment of the service provider to assist the department with the determination of management options for construction and demolition waste and factors that influence recycling behaviour of construction and demolition waste generators and the manufacturers (i.E. Producers) in south africa	3	8 Months	R650.275,00
E1397: the appointment of a service provider to assist the waste bureau with the analysis of markets for recycled/re-used/recovered plastic and tyre products in the country.	6	6 Months	1 094 058,00
E1398: the appointment of a service provider to conduct research on educational and occupational pathways for the expanded public works programme participants of the environmental programmes of the department of environmental affairs	6	8 Months	910 270,00
E1400: the appointment of a service provider to assist the department with the identification of suitable regulatory policy measures for general and hazardous waste management, an assessment and review of existing landfill fees and investigation of the role for a landfill disposal tax as a deterrent to divert waste away from landfill	6	8 Months	928 577,00
E1402: to assist the departments of environmental affairs (dea) and the department of agriculture, forestry and fisheries (daff) with the development of three programme specific emprs	12	18 Months	5 020 800,00
E1392:the appointment of a service provider/s to undertake the development of an education for sustainable development training module for the expanded public works programme projects of the department of environmental affairs	6	6 Months	522 576,00
E1418:the appointment of a service provider to undertake a study on the development and optimization of climate smart agriculture interventions for south africa's priority agricultural value chains for a changing climate.	5	12 Months	3 492 720,00
E1419:the appointment of a service provider to assist the waste bureau with contract negotiations and contract management in its operations relating to the management of waste tyres for period of eight (8) months	2	8 Months	1 400 000,00
E1412: The appointment of a panel of service providers to support DEA with the facilitation of DEA Learning Network (DLN) as and when required by the Department for the period of 3 years	6	36 months	Applicable rates



**Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2017 and 31 March 2018**

Project title	Percentage ownership by hdi groups	Percentage management by hdi groups	Number of consultants from hdi groups that work on the project
E1370: the appointment of a service provider to compile the 3rd south africa environment outlook synthesis report on behalf of the department of environmental affairs	66,94%	15%	5
E1386: the appointment of a service provider to revise guidelines for the administration of incidents as contemplated in section 30 of national environmental management act (nema) as amended.	0,00%	0%	2
E1391: the appointment of a service provider to conduct skills audit, identify business opportunities and develop training programmes for selected communities surrounding protected areas	100,00%	100%	1
E1388: the appointment of a panel of experts to assist the department of environmental affairs in the implementation of the biodiversity economy	100,00%	100,00%	1
E1389: the appointment of the service provider to service providers to conduct feasibility studies to determine the optimal economic benefits that communities can derive from their communal areas and development of associated business plans, for the 6 independent clustered sites	Urban Econ: 50% Kyle Business Projects: 0%. Ezonsundu Trading 4: 100%	Urban Econ: 50% Kyle Business Projects: 0%. Ezonsundu Trading 4: 100%	8
E1390: the appointment of the service provider(s) to support the development of 4 municipal integrated waste management plans (iwmps)	100%	100,00%	6
E1399: the appointment of the service provider to develop the 3rd national waste management strategy of south africa	0%	0,00%	7
E1394: the appointment of the service provider to assist the department with the determination of management options for construction and demolition waste and factors that influence recycling behaviour of construction and demolition waste generators and the manufacturers (i.E. Producers) in south africa	66,94%	66,94%	5
E1397: the appointment of a service provider to assist the waste bureau with the analysis of markets for recycled/re-used/recovered plastic and tyre products in the country.	25%	25,00%	3
E1398: the appointment of a service provider to conduct research on educational and occupational pathways for the expanded public works programme participants of the environmental programmes of the department of environmental affairs	51%	51,00%	1
E1400: the appointment of a service provider to assist the department with the identification of suitable regulatory policy measures for general and hazardous waste management, an assessment and review of existing landfill fees and investigation of the role for a landfill disposal tax as a deterrent to divert waste away from landfill	0%	0,00%	0,00
E1402: to assist the departments of environmental affairs (dea) and the department of agriculture, forestry and fisheries (daff) with the development of three programme specific emprs	100%	100,00%	5
E1392: the appointment of a service provider/s to undertake the development of an education for sustainable development training module for the expanded public works programme projects of the department of environmental affairs	100%	100,00%	3
E1418: the appointment of a service provider to undertake a study on the development and optimization of climate smart agriculture interventions for south africa's priority agricultural value chains for a changing climate.	100%	100,00%	6
E1419: the appointment of a service provider to assist the waste bureau with contract negotiations and contract management in its operations relating to the management of waste tyres for period of eight (8) months	66,94%	66,94%	1
E1412: the appointment of a panel of service providers to support dea with the facilitation of dea learning network (dln) as and when required by the department for the period of 3 years	77,50%	77,50%	4

**Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2017 and 31 March 2018**

Project title	Total number of consultants that worked on the project	Duration: work days	Donor and contract value in rand
E1384: the appointment of a service provider to draft and finalise south africa's 3rd biennial update report to the united nations framework convention on climate change (unfccc).	6	12 Months	R 1 455 866.07

**Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2017 and 31 March 2018**

Table 14.4 - Analysis of consultant appointments using donor funds, i.T.O. Hdis			
Project title	Percentage ownership by hdi groups	Percentage management by hdi groups	Number of consultants from hdi groups that work on the project
E1384: the appointment of a service provider to draft and finalise south africa's 3rd biennial update report to the united nations framework convention on climate change (unfccc).	0	12,42	4

### Severance Packages

**Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2017 and 31 March 2018**

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)				
Skilled Levels 3-5)				
Highly skilled production (Levels 6-8)				
Highly skilled supervision (Levels 9-12)				
Senior management (Levels 13-16)				
<b>TOTAL</b>				

## PART E: FINANCIAL INFORMATION

### REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE NO. 27 DEPARTMENT OF ENVIRONMENTAL AFFAIRS

#### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

##### ADVERSE OPINION

1. I have audited the financial statements of the Department of Environmental Affairs set out on pages xx to xx, which comprise the appropriation statement, the statement of financial position as at 31 March 2018, the statement of financial performance, statement of changes in net assets and cash flow statement 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, because of the significance of the matters described in the basis for adverse opinion section of my report, the financial statements do not fairly present, in all material respects, the financial position of the Department of Environmental Affairs as at 31 March 2018, and its financial performance and cash flows for the year then ended in accordance with Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA).

##### BASIS FOR ADVERSE OPINION

###### Goods and services

3. The department contracted with a number of implementing agents as part of the Expanded Public Works Programme (EPWP). The implementing agents were paid a management fee in addition to the cost of the services provided. The department did not identify and separately disclose, the management fees due to these implementing agents, as required by Chapter 8 of the MCS, Expenditure. As a result, goods and services – agency and support / outsourced services, stated at an amount of R2 624 222 000 (2017: R2 351 495 000) in the note for goods and services is overstated. I was unable to determine the total amount of the management fee incurred as it was impracticable to do so.

###### Expenditure for capital assets

4. The department incorrectly classified certain items of capital expenditure incurred as goods and services – outsourced services, contrary to the requirements of Chapter 11 of the MCS, Capital Assets. As a result, the capital assets acquired were not capitalised and accounted for as movable tangible capital assets. I was unable to determine the amount of any adjustments that may be necessary to goods and services – agency and support / outsourced services, disclosed in the note for goods and services, stated at an amount of R2 624 222 000 (2016-17: R2 351 495 000), and tangible capital assets, disclosed in the note for payments for capital assets, at an amount of R590 005 000 (2016-17: R531 197 000), as it was impracticable to do so.

###### Immovable tangible capital assets

5. The department did not adequately separate capital expenditure and current expenditure in accordance with chapter 11 of the MCS, Capital Assets. Expenditure was capitalised to assets which was not directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, immovable tangible capital assets and work in progress included in the note for capital work-in-progress to the financial statements, at an amount of R392 447 000 (2016-17: R704 829 000), was overstated whilst goods and services – agency and support / outsourced services, disclosed in the note for goods and services, at an amount of R2 624 222 000 (2016-17: R2 351 495 000), was understated. I was unable to determine the full extent of the misstatements as it was impracticable to do so.

###### Accrued departmental revenue

6. The contractual arrangements entered into with certain implementing agents stipulate that revenue earned from third parties and interest earned on unspent project funds, while utilising assets that were constructed, acquired or deposited within the project, should be accounted for in the project. Further contractual stipulations require the department to authorise the utilisation of these proceeds within the project or that it be returned to the department at the end of the project. The department did not identify and account for these transactions as accrued departmental revenue in accordance with chapter 9 of MCS, General Departmental Assets and Liabilities as these projects are not separate legal entities. I was unable to determine the amount of any adjustments that may be necessary to the accrued departmental revenue disclosed at an amount R50 000 in the note for accrued departmental revenue to the financial statements, as it was impracticable to do so.

###### Receivables

7. The department did not correctly classify loans to beneficiaries of the Green Fund separately as required by chapter 9 of MCS, General Departmental Assets and Liabilities. The Green Fund is a contractual arrangement that is operated by an implementing agent but controlled by the department. As a result, the department is required to incorporate the accounts of the Green Fund within the financial statements of the department. The contractual arrangement between the Green Fund and the department on which the receivable is based, is substantially different from the arrangements that the Green Fund has with beneficiaries, therefore it required separate disclosure. Consequently, the receivables in the financial statements was overstated by R190 013 000 (2016-17: R171 391 000) while loans to beneficiaries are understated by the same amount.

###### Payables

8. The department did not correctly classify voted funds to be surrendered to the Revenue Fund as required by chapter 9 of MCS, General Departmental Assets and Liabilities. The department contributed funds to the Green Fund for a number of years resulting in a residual capital balance within the project's accounts. Despite the physical cash on hand being in the bank account of the implementing agent, the department was required to incorporate the accounts of the Green Fund into its financial statements which resulted in a surplus for the year requiring to be recognised as funds to be surrendered to the Revenue Fund. Consequently, payables in the financial statements

was overstated by R532 764 000 (2016-17: R419 789 000) while voted funds to be surrendered to the Revenue Fund was understated by the same amount.

### Prepayments

9. The department did not disclose the full extent of prepayments, stated at an amount of R741 000 (2016-17: R515 000) in the note for prepayments and advances, as required by chapter 9 of the MCS, General Departmental Assets and Liabilities. The majority of contractual arrangements with implementing agents are initiated and sustained by means of prepayments. The department is required to disclose an analysis of the prepayments along with an explanation for expensing the payments prior to receipt of goods or services. I have not included the omitted information in this auditor's report as it was impracticable to do so.

### Commitments

10. The department did not implement appropriate systems and controls to properly account for commitments, stated at an amount of R9 074 198 000 in the note for commitments, as required by the MCS chapter 14, Provisions and Contingents. The remaining commitment on certain on-going contracts did not include all payments made during the year resulting in an overstatement of R165 477 000.

### Prior period error

11. In 2016-17, the department accounted for all payments made to implementing agents as transfers and subsidies which resulted in a modified audit opinion. The department made adjustments to classify payments and commitments according to the MCS chapter 8, Expenditure, chapter 11, Capital Assets, and chapter 14, Provisions and Contingents but failed to disclose the full extent of adjustment in the disclosure required to inform users of prior period error adjustments. The department also did not follow a process of that is informed by transactional detail as required by the accounting framework. I have not included the omitted information in this auditor's report as it was impracticable to do so.

### Irregular expenditure

12. I was unable to determine whether the awards made to implementing agents was fair, transparent and equitable in accordance with section 38(1)(a)(iii) of the PFMA. The department could not provide sufficient evidence of a rotational process followed when inviting implementing agents from the prospective supplier listing.
13. The department entered into a number of contracts with implementing agents as part of the EPWP projects rollout, which detailed specific legislation driven procurement requirements. Supply Chain Management (SCM) policies utilised by these implementers were not always aligned to the requirements as set by the department. The department did not identify and disclose any irregular expenditure resulting from non-compliance with these contractual prescripts by the implementing agents.
14. As a result of the above, I was unable to determine the amount of the further adjustments that may be necessary to irregular expenditure required to be disclosed in the financial statements.

15. The department did not include the required information on irregular expenditure in the notes to the financial statements, as required by section 40(3)(b)(i) of the PFMA. The department made payments in contravention of the supply chain management requirements relating to unjustifiably shortening the required minimum bid advertisement period, resulting in irregular expenditure of R77 585 000, which was not included in the financial statements.

### Fruitless and wasteful expenditure

16. Section 40(3)(b)(i) of the PFMA requires that the department include the particulars of fruitless and wasteful expenditure in the notes to the financial statements. During the period under review, the department made payments that in some instances exceeded the amount contracted with implementing agents. This resulted in fruitless and wasteful expenditure of R79 501 000 which was not included in the financial statements.

### Context for the opinion

17. 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.
18. I am independent of the department 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.
19. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

### Emphasis of matter

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

### Underspending of the vote

21. As disclosed in the appropriation statement, the department materially underspent the vote by R258 077 000. This was primarily as a result and underspending of R176 265 000 on environmental programmes and R68 167 000 on chemicals and waste management.

### Other matter

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

### Unaudited supplementary schedules

23. The supplementary information set out on pages xx to xx 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 on them.

### Responsibilities of the accounting officer for the financial statements

24. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
25. In preparing the financial statements, the accounting officer is responsible for assessing the department'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 officer either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

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

26. 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.
27. 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

28. 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.
29. My procedures address the reported performance information, which must be based on the approved performance planning documents of the department. 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.
30. 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 department for the year ended 31 March 2018:

Programmes	Pages in annual performance report
Programme 3 – Oceans and Coasts	33– 38
Programme 4 – Climate change and Air quality	39 – 42
Programme 6 – Environmental Programmes	47 – 50

31. 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.
32. The material findings in respect of the usefulness and reliability of the selected programmes are as follows:

### PROGRAMME 3 – OCEANS AND COASTS

#### Ocean and coastal management strategies and plans developed and implemented

33. I was unable to obtain sufficient appropriate audit evidence to support the reason for the variance between the planned target of one sub-regional management plan developed and the achievement of sub-regional management plan not developed reported in the annual performance report. This was due to insufficient information recorded by the department to substantiate on the circumstances described. I was unable to confirm the reported reason for the variance by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported reason for the variance.

### PROGRAMME 4 – CLIMATE CHANGE AND AIR QUALITY

#### National Air Quality Indicator

34. The planned target 1.2 for this indicator did not clearly identify the required level of performance and did not define the period over which data would be collected to calculate the national air quality indicator.

### PROGRAMME 6 – ENVIRONMENTAL PROGRAMMES

#### Number of Full Time Equivalents created

35. I was unable to obtain sufficient appropriate audit evidence to support the reason for the variance between the planned target of 38 140 Full Time Equivalents (FTEs) created and the achievement of 28 343 FTEs created reported in the annual performance report. This was due to the reasons provided not reflecting internal root causes for the non-achievement of the target. I was unable to confirm the reported reason for the variance by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported reason for the variance.

## Other matters

### Achievement of planned targets

36. Refer to the annual performance report on pages' x to x; x to x for information on the achievement of planned targets for the year and explanations provided for the under/overachievement of a significant number of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph(s) 33 to 35 of this report.

### Adjustment of material misstatements

37. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of Programme 3 – Oceans and Coasts and Programme 4 – Climate Change and Air Quality. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and 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

38. 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 department with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
39. The material findings on compliance with specific matters in key legislations are as follows:

### Annual Financial Statements, performance and annual reports

40. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 40(1)(a) and (b) of the PFMA. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and the supporting records could not be provided subsequently, which resulted in the financial statements receiving an adverse opinion.

### Expenditure management

41. Effective and appropriate steps were not taken to prevent irregular expenditure, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. As reported in the basis for adverse opinion the financial statements do not reflect the full extent of the irregular expenditure incurred. The majority of the irregular expenditure was caused by the department deviating, without valid reasons, from the required advertisement period.

### Procurement and contract management

42. Some of the invitations for competitive bidding were not advertised for the required minimum period, as required by treasury regulations 16A6.3(c). This non-compliance was identified in the procurement processes for professional advisory services, legal services and the supply and

delivery of pre-processing equipment and machinery for waste tyres for the Waste Bureau where the minimum advertisement period was not complied with.

### Other information

43. The accounting officer 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.
44. 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.
45. 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. 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. I have nothing to report in this regard.

### Internal control deficiencies

46. 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 adverse opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

### Leadership

47. I acknowledge the effort by management to affect the changes to the annual financial statements as defined by the office of the accountant-general in May 2018. These steps were however effected too late to ensure that the financial reporting framework was adhered to and that business processes are adopted to support the nature of contractual obligations that the department is a party to. Management's adjustments did not consider the details of each contractual obligation and the resulting input that it required to remain financially accountable.

### Financial and performance management

48. Management did not ensure that the reported performance information is informed by reliable supporting evidence and verifiable reasons for variances. Similarly, the financial statements were not prepared through processes that allowed interpretation of transactional evidence. As a result, material misstatements remained in the annual performance report and the financial statements.
49. Management did not review and monitor compliance to ensure adherence with applicable legislation, resulting in the department transgressing against key legislative requirements which have been highlighted in this report.



50. The department did not align its internal processes to allow for the daily and monthly reconciling of transactions with implementing agents. Requiring of prepayments is required to inform the nature of what is bought by the department and should be accounted for according to the requirements of the MCS.

#### Other reports

51. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
52. The department completed five investigations during the year under review, which were conducted by external service providers. This related to allegations of project mismanagement and misappropriation of assets at three projects under the department's environmental programmes. The department has handed one case over to the public entity overseeing one of the implicated projects and initiated disciplinary action against two departmental officials relating to the other cases.

*Auditor-General*



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

Durban

30 September 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 department'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 department's internal control
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
  - conclude on the appropriateness of the accounting officer'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 department'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 department 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 officer 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 officer 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.

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Appropriation per programme									
	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Programme</b>									
1. Administration	863 045	(10 419)	69 420	922 046	922 046	-	100.0%	828 874	827 902
2. Legal, Authorisations And Compliance	179 780	(10 186)	-	169 594	165 441	4 153	97.6%	154 303	154 303
3. Oceans And Coasts	468 455	(2 185)	(32 132)	434 138	428 613	5 525	98.7%	502 681	502 681
4. Climate Change And Air Quality	294 872	1 004	(52)	295 824	294 887	937	99.7%	296 403	295 484
5. Biodiversity And Conservation	696 518	(828)	-	695 690	692 660	3 030	99.6%	738 721	738 721
6. Environmental Programmes	3 928 209	15 022	(34 361)	3 908 870	3 732 605	176 265	95.5%	3 805 726	3 766 912
7. Chemicals And Waste Management	417 335	7 592	(2 875)	422 052	353 885	68 167	83.8%	98 393	94 968
<b>TOTAL</b>	<b>6 848 214</b>	<b>-</b>	<b>-</b>	<b>6 848 214</b>	<b>6 590 137</b>	<b>258 077</b>	<b>96.2%</b>	<b>6 425 101</b>	<b>6 380 971</b>

	Final Appropriation	Actual Expenditure			Final Appropriation	Actual Expenditure
<b>TOTAL (brought forward)</b>						
<b>Reconciliation with statement of financial performance</b>						
<b>ADD</b>						
Departmental receipts	29 244				21 180	
Aid assistance	1 200				15 795	
<b>Actual amounts per statement of financial performance (total revenue)</b>	<b>6 878 658</b>				<b>6 462 076</b>	
<b>ADD</b>						
Aid assistance		20 543				19 623
<b>Actual amounts per statement of financial performance (total expenditure)</b>		<b>6 610 680</b>				<b>6 400 594</b>



**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Appropriation per economic classification									
Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>2 193 809</b>	<b>2 710 393</b>	<b>(18 673)</b>	<b>4 885 529</b>	<b>4 676 937</b>	<b>208 592</b>	<b>97.5%</b>	<b>4 395 438</b>	<b>4 351 308</b>
Compensation of employees	1 050 073	-	-	1 050 073	1 050 054	19	100.0%	993 720	992 748
Salaries and wages	953 825	(29 050)	-	924 775	924 756	19	100.0%	877 215	876 243
Social contributions	96 248	29 050	-	125 298	125 298	-	100.0%	116 505	116 505
Goods and services	1 143 736	2 701 377	(18 673)	3 826 440	3 617 867	208 573	94.5%	3 401 718	3 358 560
Administrative fees	7 072	1 289	-	8 361	8 361	-	100.0%	3 462	3 462
Advertising	25 747	9 624	(200)	35 171	35 171	-	100.0%	15 983	15 983
Minor assets	7 388	(5 810)	-	1 578	1 578	-	100.0%	2 403	2 403
Audit costs: External	9 200	(2 399)	-	6 801	6 801	-	100.0%	8 469	8 469
Bursaries: Employees	1 996	(158)	-	1 838	1 838	-	100.0%	1 640	1 640
Catering: Departmental activities	6 438	(706)	(186)	5 546	5 546	-	100.0%	11 374	11 374
Communication	20 025	(2 189)	415	18 251	17 314	937	94.9%	21 635	21 635
Computer services	35 442	2 533	35 636	73 611	73 611	-	100.0%	76 797	75 878
Consultants: Business and advisory services	214 600	(41 906)	11 622	184 316	178 791	5 525	97.0%	172 798	169 373
Infrastructure and planning services	427	(427)	-	-	-	-	-	-	-
Laboratory services	4 033	(2 242)	-	1 791	1 791	-	100.0%	990	990
Legal services	7 130	5 901	-	13 031	13 031	-	100.0%	9 842	9 842
Contractors	104 836	35 941	(37 161)	103 616	80 082	23 534	77.3%	15 229	15 229
Agency and support / outsourced services	235 951	2 600 755	(37 926)	2 798 780	2 624 222	174 558	93.8%	2 390 076	2 351 495
Entertainment	751	(733)	-	18	18	-	100.0%	43	43

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Appropriation per economic classification									
Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Fleet services	5 916	470	-	6 386	6 386	-	100.0%	10 425	10 425
Inventory: Clothing material and supplies	-	1 295	-	1 295	1 295	-	100.0%	1 214	1 214
Inventory: Food and food supplies	2 196	(1 954)	-	242	242	-	100.0%	1 141	1 141
Inventory: Fuel, oil and gas	16 957	5 760	-	22 717	22 717	-	100.0%	24 247	24 014
Inventory: Learner and teacher support material	769	(769)	-	-	-	-	-	-	-
Inventory: Materials and supplies	1 150	97 510	-	98 660	98 660	-	100.0%	169 725	169 725
Inventory: Medical supplies	906	(906)	-	-	-	-	-	-	-
Inventory: Medicine	339	(339)	-	-	-	-	-	-	-
Consumable supplies	14 089	11 498	-	25 587	25 587	-	100.0%	17 318	17 318
Consumable: Stationery, printing and office supplies	12 849	(4 505)	-	8 344	8 344	-	100.0%	7 858	7 858
Operating leases	82 012	(2 358)	-	79 654	79 654	-	100.0%	81 008	81 008
Property payments	20 930	(11 337)	9 885	19 478	19 478	-	100.0%	16 515	16 515
Transport provided: Departmental activity	190	(170)	-	20	20	-	100.0%	2 372	2 372
Travel and subsistence	182 105	4 946	(2 065)	184 986	182 855	2 131	98.8%	171 132	171 132
Training and development	23 165	(1 775)	3 385	24 775	24 775	-	100.0%	35 691	35 691
Operating payments	53 496	12 639	(1 644)	64 491	63 502	989	98.5%	65 937	65 937
Venues and facilities	43 262	(8 011)	(434)	34 817	33 918	899	97.4%	60 613	60 613
Rental and hiring	2 369	(90)	-	2 279	2 279	-	100.0%	5 781	5 781
Interest and rent on land	-	9 016	-	9 016	9 016	-	100.0%	-	-
Rent on land	-	9 016	-	9 016	9 016	-	100.0%	-	-

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Appropriation per economic classification									
Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Transfers and subsidies</b>	<b>4 488 896</b>	<b>(3 141 431)</b>	<b>11 231</b>	<b>1 358 696</b>	<b>1 309 211</b>	<b>49 485</b>	<b>96.4%</b>	<b>1 488 388</b>	<b>1 488 388</b>
Provinces and municipalities	-	123	-	123	123	-	100.0%	127	127
Provinces	-	3	-	3	3	-	100.0%	4	4
Provincial Revenue Funds	-	3	-	3	3	-	100.0%	3	3
Provincial agencies and funds	-	-	-	-	-	-	-	1	1
Municipalities	-	120	-	120	120	-	100.0%	123	123
Municipal agencies and funds	-	120	-	120	120	-	100.0%	123	123
Departmental agencies and accounts	1 201 169	(37 357)	6 982	1 170 794	1 170 794	-	100.0%	1 309 960	1 309 960
Social security funds	-	2 643	-	2 643	2 643	-	100.0%	8 794	8 794
Departmental agencies and accounts	1 201 169	(40 000)	6 982	1 168 151	1 168 151	-	100.0%	1 301 166	1 301 166
Foreign governments and international organisations	16 000	-	-	16 000	16 000	-	100.0%	16 000	16 000
Public corporations and private enterprises	110 455	(8 022)	-	102 433	102 433	-	100.0%	153 550	153 550
Public corporations	110 455	(32 798)	-	77 657	77 657	-	100.0%	153 550	153 550
Other transfers to public corporations	110 455	(32 798)	-	77 657	77 657	-	100.0%	153 550	153 550
Private enterprises	-	24 776	-	24 776	24 776	-	100.0%	-	-
Other transfers to private enterprises	-	24 776	-	24 776	24 776	-	100.0%	-	-
Non-profit institutions	3 835	-	4 249	8 084	8 084	-	100.0%	4 487	4 487
Households	3 157 437	(3 096 175)	-	61 262	11 777	49 485	19.2%	4 264	4 264
Social benefits	-	10 273	-	10 273	10 273	-	100.0%	2 929	2 929
Other transfers to households	3 157 437	(3 106 448)	-	50 989	1 504	49 485	2.9%	1 335	1 335
<b>Payments for capital assets</b>	<b>165 509</b>	<b>431 027</b>	<b>7 442</b>	<b>603 978</b>	<b>603 978</b>	<b>-</b>	<b>100.0%</b>	<b>541 070</b>	<b>541 070</b>

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Appropriation per economic classification									
Economic classification	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Buildings and other fixed structures	136 901	357 022	7 442	501 365	501 365	-	100.0%	489 837	489 837
Buildings	136 901	-	7 442	144 343	144 343	-	100.0%	136 864	136 864
Other fixed structure	-	357 022	-	357 022	357 022	-	100.0%	352 973	352 973
Machinery and equipment	28 608	59 831	-	88 439	88 439	-	100.0%	41 246	41 246
Transport equipment	1 701	9 182	-	10 883	10 883	-	100.0%	20 502	20 502
Other machinery and equipment	26 907	50 649	-	77 556	77 556	-	100.0%	20 744	20 744
Software and Intangible assets	-	14 174	-	14 174	14 174	-	100.0%	9 987	9 987
<b>Payments for financial assets</b>	-	<b>11</b>	-	<b>11</b>	<b>11</b>	-	<b>100.0%</b>	<b>205</b>	<b>205</b>
<b>TOTAL</b>	<b>6 848 214</b>	<b>-</b>	<b>-</b>	<b>6 848 214</b>	<b>6 590 137</b>	<b>258 077</b>	<b>96.2%</b>	<b>6 425 101</b>	<b>6 380 971</b>

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

1: ADMINISTRATION									
Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Management	184 231	55 876	6 511	246 618	246 618	-	100.0%	163 373	163 373
2. Corporate Affairs	284 953	(57 205)	45 582	273 330	273 330	-	100.0%	212 595	211 623
3. Environmental Advisory Services	112 738	(9 025)	-	103 713	103 713	-	100.0%	105 525	105 525
4. Financial Management	71 222	(65)	-	71 157	71 157	-	100.0%	68 371	68 371
5. Office Accommodation	209 901	-	17 327	227 228	227 228	-	100.0%	221 126	221 126
6. Environmental Sector Coordination	-	-	-	-	-	-	-	57 884	57 884
<b>Total for sub programmes</b>	<b>863 045</b>	<b>(10 419)</b>	<b>69 420</b>	<b>922 046</b>	<b>922 046</b>	<b>-</b>	<b>100.0%</b>	<b>828 874</b>	<b>827 902</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>703 395</b>	<b>(20 476)</b>	<b>61 978</b>	<b>744 897</b>	<b>744 897</b>	<b>-</b>	<b>100.0%</b>	<b>659 455</b>	<b>658 483</b>
Compensation of employees	394 092	(10 419)	-	383 673	383 673	-	100.0%	367 917	366 945
Salaries and wages	347 401	(12 395)	-	335 006	335 006	-	100.0%	323 433	322 461
Social contributions	46 691	1 976	-	48 667	48 667	-	100.0%	44 484	44 484
Goods and services	309 303	(10 057)	61 978	361 224	361 224	-	100.0%	291 538	291 538
Administrative fees	5 715	554	-	6 269	6 269	-	100.0%	2 615	2 615
Advertising	19 270	1 712	-	20 982	20 982	-	100.0%	8 025	8 025
Minor assets	438	331	-	769	769	-	100.0%	961	961
Audit costs: External	9 176	(2 375)	-	6 801	6 801	-	100.0%	7 648	7 648
Bursaries: Employees	1 119	571	-	1 690	1 690	-	100.0%	1 294	1 294
Catering: Departmental activities	3 312	(778)	-	2 534	2 534	-	100.0%	5 816	5 816

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

1: ADMINISTRATION									
Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Communication	7 667	(529)	518	7 656	7 656	-	100.0%	7 323	7 323
Computer services	30 742	(466)	35 844	66 120	66 120	-	100.0%	38 127	38 127
Consultants: Business and advisory services	29 294	(6 910)	11 978	34 362	34 362	-	100.0%	25 708	25 708
Infrastructure and planning services	427	(427)	-	-	-	-	-	-	-
Laboratory services	-	25	-	25	25	-	100.0%	18	18
Legal services	456	407	-	863	863	-	100.0%	1 258	1 258
Contractors	7 168	(6 068)	-	1 100	1 100	-	100.0%	1 757	1 757
Agency and support / outsourced services	246	(90)	-	156	156	-	100.0%	70	70
Entertainment	110	(106)	-	4	4	-	100.0%	14	14
Fleet services	2 701	187	-	2 888	2 888	-	100.0%	2 543	2 543
Inventory: Food and food supplies	24	(24)	-	-	-	-	-	18	18
Inventory: Fuel, oil and gas	47	(47)	-	-	-	-	-	9	9
Inventory: Materials and supplies	66	(66)	-	-	-	-	-	1	1
Consumable supplies	2 265	1 792	-	4 057	4 057	-	100.0%	5 575	5 575
Consumable: Stationery, printing and office supplies	3 633	551	-	4 184	4 184	-	100.0%	3 977	3 977
Operating leases	75 695	(725)	-	74 970	74 970	-	100.0%	76 407	76 407
Property payments	13 823	(6 282)	9 885	17 426	17 426	-	100.0%	15 422	15 422
Transport provided: Departmental activity	155	(142)	-	13	13	-	100.0%	1 530	1 530
Travel and subsistence	62 386	2 346	-	64 732	64 732	-	100.0%	54 932	54 932
Training and development	5 942	6 678	3 753	16 373	16 373	-	100.0%	8 352	8 352

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

1: ADMINISTRATION									
Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Operating payments	5 194	597	-	5 791	5 791	-	100.0%	5 897	5 897
Venues and facilities	20 168	(260)	-	19 908	19 908	-	100.0%	12 769	12 769
Rental and hiring	2 064	(513)	-	1 551	1 551	-	100.0%	3 472	3 472
<b>Transfers and subsidies</b>	<b>16 000</b>	<b>8 439</b>	<b>-</b>	<b>24 439</b>	<b>24 439</b>	<b>-</b>	<b>100.0%</b>	<b>17 867</b>	<b>17 867</b>
Provinces and municipalities	-	60	-	60	60	-	100.0%	80	80
Provinces	-	3	-	3	3	-	100.0%	3	3
Provincial Revenue Funds	-	3	-	3	3	-	100.0%	3	3
Municipalities	-	57	-	57	57	-	100.0%	77	77
Municipal agencies and funds	-	57	-	57	57	-	100.0%	77	77
Departmental agencies and accounts	-	-	-	-	-	-	-	8	8
Departmental agencies	-	-	-	-	-	-	-	8	8
Foreign governments and international organisations	16 000	-	-	16 000	16 000	-	100.0%	16 000	16 000
Households	-	8 379	-	8 379	8 379	-	100.0%	1 779	1 779
Social benefits	-	7 302	-	7 302	7 302	-	100.0%	683	683
Other transfers to households	-	1 077	-	1 077	1 077	-	100.0%	1 096	1 096
<b>Payments for capital assets</b>	<b>143 650</b>	<b>1 610</b>	<b>7 442</b>	<b>152 702</b>	<b>152 702</b>	<b>-</b>	<b>100.0%</b>	<b>151 407</b>	<b>151 407</b>
Buildings and other fixed structures	136 901	-	7 442	144 343	144 343	-	100.0%	136 864	136 864
Buildings	136 901	-	7 442	144 343	144 343	-	100.0%	136 864	136 864
Machinery and equipment	6 749	586	-	7 335	7 335	-	100.0%	13 956	13 956
Transport equipment	1 701	32	-	1 733	1 733	-	100.0%	4 170	4 170
Other machinery and equipment	5 048	554	-	5 602	5 602	-	100.0%	9 786	9 786

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

1: ADMINISTRATION									
Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Intangible assets and other software	-	1 024	-	1 024	1 024	-	100.0%	587	587
Payments for financial assets	-	8	-	8	8	-	100.0%	145	145
<b>TOTAL</b>	<b>863 045</b>	<b>(10 419)</b>	<b>69 420</b>	<b>922 046</b>	<b>922 046</b>	<b>-</b>	<b>100.0%</b>	<b>828 874</b>	<b>827 902</b>



**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 2: LEGAL, AUTHORISATIONS AND COMPLIANCE

Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Legal, Authorisations And Compliance Management	6 691	(737)	-	5 954	5 954	-	100.0%	5 716	5 716
2. Compliance Monitoring	26 210	4 111	-	30 321	30 321	-	100.0%	25 951	25 951
3. Integrated Environmental Authorisations	52 572	(15 525)	-	37 047	37 028	19	99.9%	32 144	32 144
4. Enforcement	66 959	(6 545)	-	60 414	56 280	4 134	93.2%	58 882	58 882
5. Corporate Legal Support And Litigation	10 461	6 117	-	16 578	16 578	-	100.0%	14 447	14 447
6. Law Reform And Appeals	16 887	2 393	-	19 280	19 280	-	100.0%	17 163	17 163
<b>Total for sub programmes</b>	<b>179 780</b>	<b>(10 186)</b>	<b>-</b>	<b>169 594</b>	<b>165 441</b>	<b>4 153</b>	<b>97.6%</b>	<b>154 303</b>	<b>154 303</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>178 185</b>	<b>(13 594)</b>	<b>(4 249)</b>	<b>160 342</b>	<b>156 189</b>	<b>4 153</b>	<b>97.4%</b>	<b>152 503</b>	<b>152 503</b>
Compensation of employees	124 796	(10 186)	-	114 610	114 591	19	100.0%	106 448	106 448
Salaries and wages	110 482	(10 072)	-	100 410	100 391	19	100.0%	93 157	93 157
Social contributions	14 314	(114)	-	14 200	14 200	-	100.0%	13 291	13 291
Goods and services	53 389	(3 408)	(4 249)	45 732	41 598	4 134	91.0%	46 055	46 055
Administrative fees	85	39	-	124	124	-	100.0%	41	41
Advertising	619	1 307	(200)	1 726	1 726	-	100.0%	561	561
Minor assets	718	(619)	-	99	99	-	100.0%	469	469
Bursaries: Employees	121	(87)	-	34	34	-	100.0%	20	20
Catering: Departmental activities	514	(58)	(186)	270	270	-	100.0%	709	709
Communication	1 431	(370)	(103)	958	958	-	100.0%	991	991

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 2: LEGAL, AUTHORISATIONS AND COMPLIANCE

Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Computer services	648	1 775	(208)	2 215	2 215	-	100.0%	14 742	14 742
Consultants: Business and advisory services	1 707	1 053	(304)	2 456	2 456	-	100.0%	1 048	1 048
Laboratory services	1 200	566	-	1 766	1 766	-	100.0%	972	972
Legal services	3 050	3 249	-	6 299	6 299	-	100.0%	2 876	2 876
Contractors	787	(429)	-	358	358	-	100.0%	499	499
Agency and support / outsourced services	3 148	-	-	3 148	3	3 145	0.1%	174	174
Entertainment	53	(48)	-	5	5	-	100.0%	8	8
Fleet services	20	16	-	36	36	-	100.0%	25	25
Inventory: Food and food supplies	5	(5)	-	-	-	-	-	-	-
Consumable supplies	1 231	140	-	1 371	1 371	-	100.0%	1 700	1 700
Consumable: Stationery, printing and office supplies	955	36	-	991	991	-	100.0%	683	683
Operating leases	422	(91)	-	331	331	-	100.0%	327	327
Property payments	89	(89)	-	-	-	-	-	-	-
Travel and subsistence	20 716	(2 274)	(2 065)	16 377	16 377	-	100.0%	14 410	14 410
Training and development	1 901	217	(368)	1 750	1 750	-	100.0%	1 955	1 955
Operating payments	10 231	(7 070)	(381)	2 780	1 791	989	64.4%	1 036	1 036
Venues and facilities	3 723	(671)	(434)	2 618	2 618	-	100.0%	2 808	2 808
Rental and hiring	15	5	-	20	20	-	100.0%	1	1
<b>Transfers and subsidies</b>	-	<b>95</b>	<b>4 249</b>	<b>4 344</b>	<b>4 344</b>	-	<b>100.0%</b>	<b>171</b>	<b>171</b>
Provinces and municipalities	-	4	-	4	4	-	100.0%	4	4

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 2: LEGAL, AUTHORISATIONS AND COMPLIANCE

Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Provinces	-	-	-	-	-	-	-	1	1
Provincial agencies and funds	-	-	-	-	-	-	-	1	1
Municipalities	-	4	-	4	4	-	100.0%	3	3
Municipal agencies and funds	-	4	-	4	4	-	100.0%	3	3
Non-profit institutions	-	-	4 249	4 249	4 249	-	100.0%	-	-
Households	-	91	-	91	91	-	100.0%	167	167
Social benefits	-	91	-	91	91	-	100.0%	167	167
<b>Payments for capital assets</b>	<b>1 595</b>	<b>3 313</b>	-	<b>4 908</b>	<b>4 908</b>	-	<b>100.0%</b>	<b>1 620</b>	<b>1 620</b>
Machinery and equipment	1 595	3 313	-	4 908	4 908	-	100.0%	1 620	1 620
Transport equipment	-	2 031	-	2 031	2 031	-	100.0%	591	591
Other machinery and equipment	1 595	1 282	-	2 877	2 877	-	100.0%	1 029	1 029
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	<b>9</b>	<b>9</b>
<b>TOTAL</b>	<b>179 780</b>	<b>(10 186)</b>	-	<b>169 594</b>	<b>165 441</b>	<b>4 153</b>	<b>97.6%</b>	<b>154 303</b>	<b>154 303</b>

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 3: OCEANS AND COASTS									
Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Oceans And Coasts Management	8 757	9 532	-	18 289	18 289	-	100.0%	15 397	15 397
2. Integrated Coastal Management	135 945	98 533	-	37 412	31 887	5 525	85.2%	122 776	122 776
3. Oceans And Coastal Research	115 433	99 641	-	215 074	215 074	-	100.0%	127 767	127 767
4. Oceans Conservation	201 679	(108 090)	(32 132)	61 457	61 457	-	100.0%	228 641	228 641
5. Specialist Monitoring Services	6 641	95 265	-	101 906	101 906	-	100.0%	8 100	8 100
<b>Total for sub programmes</b>	<b>468 455</b>	<b>(2 185)</b>	<b>(32 132)</b>	<b>434 138</b>	<b>428 613</b>	<b>5 525</b>	<b>98.7%</b>	<b>502 681</b>	<b>502 681</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>453 676</b>	<b>(10 748)</b>	<b>(32 132)</b>	<b>410 796</b>	<b>405 271</b>	<b>5 525</b>	<b>98.7%</b>	<b>469 694</b>	<b>469 694</b>
Compensation of employees	117 336	(2 185)	-	115 151	115 151	-	100.0%	111 638	111 638
Salaries and wages	107 666	(3 630)	-	104 036	104 036	-	100.0%	100 929	100 929
Social contributions	9 670	1 445	-	11 115	11 115	-	100.0%	10 709	10 709
Goods and services	336 340	(8 563)	(32 132)	295 645	290 120	5 525	98.1%	358 056	358 056
Administrative fees	113	79	-	192	192	-	100.0%	313	313
Advertising	1 163	8 903	-	10 066	10 066	-	100.0%	3 564	3 564
Minor assets	1 446	(1 052)	-	394	394	-	100.0%	710	710
Bursaries: Employees	278	(244)	-	34	34	-	100.0%	60	60
Catering: Departmental activities	235	3	-	238	238	-	100.0%	1 152	1 152
Communication	1 130	787	-	1 917	1 917	-	100.0%	3 529	3 529
Computer services	1 771	(1 283)	-	488	488	-	100.0%	2 901	2 901

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 3: OCEANS AND COASTS

Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consultants: Business and advisory services	127 866	(96 655)	-	31 211	25 686	5 525	82.3%	70 864	70 864
Laboratory services	2 833	(2 833)	-	-	-	-	-	-	-
Legal services	-	906	-	906	906	-	100.0%	492	492
Contractors	1 662	2 982	-	4 644	4 644	-	100.0%	5 522	5 522
Agency and support / outsourced services	141 076	52 737	(30 869)	162 944	162 944	-	100.0%	182 861	182 861
Entertainment	486	(484)	-	2	2	-	100.0%	7	7
Fleet services	595	422	-	1 017	1 017	-	100.0%	5 653	5 653
Inventory: Clothing material and supplies	-	1 290	-	1 290	1 290	-	100.0%	1 214	1 214
Inventory: Food and food supplies	2 091	(1 849)	-	242	242	-	100.0%	1 123	1 123
Inventory: Fuel, oil and gas	7 557	(7 470)	-	87	87	-	100.0%	3 357	3 357
Inventory: Learner and teacher support material	769	(769)	-	-	-	-	-	-	-
Inventory: Materials and supplies	1 069	(1 069)	-	-	-	-	-	-	-
Inventory: Medical supplies	906	(906)	-	-	-	-	-	-	-
Inventory: Medicine	339	(339)	-	-	-	-	-	-	-
Consumable supplies	914	16 454	-	17 368	17 368	-	100.0%	7 135	7 135
Consumable: Stationery, printing and office supplies	1 905	(533)	-	1 372	1 372	-	100.0%	1 191	1 191
Operating leases	626	(321)	-	305	305	-	100.0%	379	379
Property payments	307	(136)	-	171	171	-	100.0%	584	584
Transport provided: Departmental activity	35	(35)	-	-	-	-	-	447	447

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 3: OCEANS AND COASTS									
Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Travel and subsistence	15 519	(403)	-	15 116	15 116	-	100.0%	14 642	14 642
Training and development	1 109	(253)	-	856	856	-	100.0%	1 182	1 182
Operating payments	21 000	22 567	(1 263)	42 304	42 304	-	100.0%	46 749	46 749
Venues and facilities	1 540	930	-	2 470	2 470	-	100.0%	931	931
Rental and hiring	-	11	-	11	11	-	100.0%	1 494	1 494
<b>Transfers and subsidies</b>	<b>-</b>	<b>1 572</b>	<b>-</b>	<b>1 572</b>	<b>1 572</b>	<b>-</b>	<b>100.0%</b>	<b>1 432</b>	<b>1 432</b>
Provinces and municipalities	-	9	-	9	9	-	100.0%	10	10
Municipalities	-	9	-	9	9	-	100.0%	10	10
Municipal agencies and funds	-	9	-	9	9	-	100.0%	10	10
Departmental agencies and accounts	-	-	-	-	-	-	-	1	1
Departmental agencies	-	-	-	-	-	-	-	1	1
Households	-	1 563	-	1 563	1 563	-	100.0%	1 421	1 421
Social benefits	-	1 563	-	1 563	1 563	-	100.0%	1 384	1 384
Other transfers to households	-	-	-	-	-	-	-	37	37
<b>Payments for capital assets</b>	<b>14 779</b>	<b>6 991</b>	<b>-</b>	<b>21 770</b>	<b>21 770</b>	<b>-</b>	<b>100.0%</b>	<b>31 550</b>	<b>31 550</b>
Machinery and equipment	14 779	(6 159)	-	8 620	8 620	-	100.0%	22 150	22 150
Transport equipment	-	349	-	349	349	-	100.0%	15 443	15 443
Other machinery and equipment	14 779	(6 508)	-	8 271	8 271	-	100.0%	6 707	6 707
Software and other Intangible assets	-	13 150	-	13 150	13 150	-	100.0%	9 400	9 400
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>5</b>
<b>TOTAL</b>	<b>468 455</b>	<b>(2 185)</b>	<b>(32 132)</b>	<b>434 138</b>	<b>428 613</b>	<b>5 525</b>	<b>98.7%</b>	<b>502 681</b>	<b>502 681</b>

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 4: CLIMATE CHANGE AND AIR QUALITY

Sub programme	2017/18						Expenditure as % of final appropriation	2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance		Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
1. Climate Change Management	8 012	(3 226)	-	4 786	4 786	-	100.0%	7 854	7 854
2. Climate Change Mitigation	9 176	(15)	-	9 161	9 161	-	100.0%	9 920	9 920
3. Climate Change Adaptation	5 051	2 386	-	7 437	7 437	-	100.0%	7 402	7 402
4. Air Quality Management	44 866	6 474	(52)	51 288	50 351	937	98.2%	44 648	43 729
5. South African Weather Service	205 482	-	-	205 482	205 482	-	100.0%	204 985	204 985
6. International Climate Change Relations And Negotiations	11 660	(9)	-	11 651	11 651	-	100.0%	10 595	10 595
7. Climate Change Monitoring And Evaluation	10 625	(4 606)	-	6 019	6 019	-	100.0%	10 999	10 999
<b>Total for sub programmes</b>	<b>294 872</b>	<b>1 004</b>	<b>(52)</b>	<b>295 824</b>	<b>294 887</b>	<b>937</b>	<b>99.7%</b>	<b>296 403</b>	<b>295 484</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>86 615</b>	<b>1 631</b>	<b>(52)</b>	<b>88 194</b>	<b>87 257</b>	<b>937</b>	<b>98.9%</b>	<b>89 554</b>	<b>88 635</b>
Compensation of employees	55 477	1 004	-	56 481	56 481	-	100.0%	61 219	61 219
Salaries and wages	52 671	(2 166)	-	50 505	50 505	-	100.0%	55 052	55 052
Social contributions	2 806	3 170	-	5 976	5 976	-	100.0%	6 167	6 167
Goods and services	31 138	627	(52)	31 713	30 776	937	97.0%	28 335	27 416
Administrative fees	275	(274)	-	1	1	-	100.0%	20	20
Advertising	854	(587)	-	267	267	-	100.0%	265	265
Minor assets	545	(532)	-	13	13	-	100.0%	26	26
Audit costs: External	24	(24)	-	-	-	-	-	-	-

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 4: CLIMATE CHANGE AND AIR QUALITY

Sub programme	2017/18						Expenditure as % of final appropriation	2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance		Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
Bursaries: Employees	166	(166)	-	-	-	-	-	-	-
Catering: Departmental activities	384	(79)	-	305	305	-	100.0%	353	353
Communication	2 382	(961)	-	1 421	484	937	34.1%	586	586
Computer services	1 047	(1 015)	-	32	32	-	100.0%	1 009	90
Consultants: Business and advisory services	10 165	5 591	(52)	15 704	15 704	-	100.0%	9 849	9 849
Legal services	317	(308)	-	9	9	-	100.0%	271	271
Contractors	32	(28)	-	4	4	-	100.0%	1	1
Agency and support / outsourced services	484	(484)	-	-	-	-	-	-	-
Entertainment	21	(20)	-	1	1	-	100.0%	3	3
Inventory: Food and food supplies	18	(18)	-	-	-	-	-	-	-
Consumable supplies	164	(60)	-	104	104	-	100.0%	160	160
Consumable: Stationery, printing and office supplies	698	(647)	-	51	51	-	100.0%	176	176
Operating leases	183	(59)	-	124	124	-	100.0%	77	77
Travel and subsistence	8 262	941	-	9 203	9 203	-	100.0%	9 760	9 760
Training and development	776	(412)	-	364	364	-	100.0%	460	460
Operating payments	1 567	226	-	1 793	1 793	-	100.0%	1 672	1 672
Venues and facilities	2 508	(251)	-	2 257	2 257	-	100.0%	3 626	3 626
Rental and hiring	266	(206)	-	60	60	-	100.0%	21	21
<b>Transfers and subsidies</b>	<b>207 030</b>	<b>129</b>	-	<b>207 159</b>	<b>207 159</b>	-	<b>100.0%</b>	<b>206 440</b>	<b>206 440</b>
Departmental agencies and accounts	205 482	-	-	205 482	205 482	-	100.0%	204 985	204 985



**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 4: CLIMATE CHANGE AND AIR QUALITY

Sub programme	2017/18						Expenditure as % of final appropriation	2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance		Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
Departmental agencies	205 482	-	-	205 482	205 482	-	100.0%	204 985	204 985
Non-profit institutions	1 548	-	-	1 548	1 548	-	100.0%	1 400	1 400
Households	-	129	-	129	129	-	100.0%	55	55
Social benefits	-	129	-	129	129	-	100.0%	55	55
<b>Payments for capital assets</b>	<b>1 227</b>	<b>(756)</b>	<b>-</b>	<b>471</b>	<b>471</b>	<b>-</b>	<b>100.0%</b>	<b>409</b>	<b>409</b>
Machinery and equipment	1 227	(756)	-	471	471	-	100.0%	409	409
Other machinery and equipment	1 227	(756)	-	471	471	-	100.0%	409	409
<b>TOTAL</b>	<b>294 872</b>	<b>1 004</b>	<b>(52)</b>	<b>295 824</b>	<b>294 887</b>	<b>937</b>	<b>99.7%</b>	<b>296 403</b>	<b>295 484</b>

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 5: BIODIVERSITY AND CONSERVATION									
Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Biodiversity And Conservation Management	18 966	708	-	19 674	19 674	-	100.0%	22 925	22 925
2. Biodiversity Planning And Management	28 724	(7 522)	-	21 202	21 202	-	100.0%	25 677	25 677
3. Protected Areas Systems Management	52 284	(4 108)	(2 800)	45 376	42 346	3 030	93.3%	43 573	43 573
4. Isimangaliso Wetland Park Authority	34 523	-	-	34 523	34 523	-	100.0%	33 031	33 031
5. South African National Parks	285 336	-	-	285 336	285 336	-	100.0%	278 939	278 939
6. South African National Biodiversity Institute	249 928	-	2 800	252 72	252 728	-	100.0%	237 973	237 973
7. Biodiversity Monitoring And Evaluation	6 892	3 522	-	10 414	10 414	-	100.0%	17 173	17 173
8. Biodiversity Economy And Sustainable Use	19 865	6 572	-	26 437	26 437	-	100.0%	79 430	79 430
<b>Total for sub programmes</b>	<b>696 518</b>	<b>(828)</b>	<b>-</b>	<b>695 690</b>	<b>692 660</b>	<b>3 030</b>	<b>99.6%</b>	<b>738 721</b>	<b>738 721</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>123 689</b>	<b>(1 701)</b>	<b>(2 800)</b>	<b>119 188</b>	<b>116 158</b>	<b>3 030</b>	<b>97.5%</b>	<b>184 639</b>	<b>184 639</b>
Compensation of employees	71 787	(828)	-	70 959	70 959	-	100.0%	69 679	69 679
Salaries and wages	68 779	(5 757)	-	63 022	63 022	-	100.0%	62 011	62 011
Social contributions	3 008	4 929	-	7 937	7 937	-	100.0%	7 668	7 668
Goods and services	51 902	(873)	(2 800)	48 229	45 199	3 030	93.7%	114 960	114 960
Administrative fees	17	88	-	105	105	-	100.0%	92	92
Advertising	1 212	(327)	-	885	885	-	100.0%	1 349	1 349
Minor assets	402	(343)	-	59	59	-	100.0%	72	72
Catering: Departmental activities	572	335	-	907	907	-	100.0%	2 269	2 269
Communication	708	(150)	-	558	558	-	100.0%	627	627

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 5: BIODIVERSITY AND CONSERVATION

Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Computer services	54	(54)	-	-	-	-	-	4 820	4 820
Consultants: Business and advisory services	17 799	(9 219)	-	8 580	8 580	-	100.0%	28 984	28 984
Legal services	79	413	-	492	492	-	100.0%	2 610	2 610
Contractors	4 186	3 497	(2 800)	4 883	4 883	-	100.0%	7 303	7 303
Agency and support / outsourced services	1 884	(1 884)	-	-	-	-	-	128	128
Entertainment	32	(32)	-	-	-	-	-	-	-
Inventory: Food and food supplies	15	(15)	-	-	-	-	-	-	-
Inventory: Materials and supplies	6	(6)	-	-	-	-	-	-	-
Consumable supplies	34	220	-	254	254	-	100.0%	595	595
Consumable: Stationery, printing and office supplies	955	(685)	-	270	270	-	100.0%	226	226
Operating leases	529	(283)	-	246	246	-	100.0%	190	190
Transport provided: Departmental activity	-	7	-	7	7	-	100.0%	390	390
Travel and subsistence	17 330	4 446	-	21 776	19 645	2 131	90.2%	25 942	25 942
Training and development	499	(184)	-	315	315	-	100.0%	439	439
Operating payments	2 519	2 242	-	4 761	4 761	-	100.0%	1 522	1 522
Venues and facilities	3 070	706	-	3 776	2 877	899	76.2%	36 628	36 628
Rental and hiring	-	355	-	355	355	-	100.0%	774	774
<b>Transfers and subsidies</b>	<b>572 074</b>	<b>714</b>	<b>2 800</b>	<b>575 588</b>	<b>575 588</b>	<b>-</b>	<b>100.0%</b>	<b>553 380</b>	<b>553 380</b>
Departmental agencies and accounts	569 787	-	2 800	572 587	572 587	-	100.0%	549 943	549 943
Departmental agencies	569 787	-	2 800	572 587	572 587	-	100.0%	549 943	549 943
Non-profit institutions	2 287	-	-	2 287	2 287	-	100.0%	3 087	3 087

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 5: BIODIVERSITY AND CONSERVATION									
Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Households	-	714	-	714	714	-	100.0%	350	350
Social benefits	-	524	-	524	524	-	100.0%	148	148
Other transfers to households	-	190	-	190	190	-	100.0%	202	202
<b>Payments for capital assets</b>	<b>755</b>	<b>159</b>	<b>-</b>	<b>914</b>	<b>914</b>	<b>-</b>	<b>100.0%</b>	<b>702</b>	<b>702</b>
Machinery and equipment	755	159	-	914	914	-	100.0%	702	702
Transport equipment	-	-	-	-	-	-	-	298	298
Other machinery and equipment	755	159	-	914	914	-	100.0%	404	404
<b>TOTAL</b>	<b>696 518</b>	<b>(828)</b>	<b>-</b>	<b>695 690</b>	<b>692 660</b>	<b>3 030</b>	<b>99.6%</b>	<b>738 721</b>	<b>738 721</b>

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 6: ENVIRONMENTAL PROGRAMMES									
Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Environmental Protection And Infrastructure Programme	1 505 377	(36 000)	-	1 469 377	1 371 448	97 929	93.3%	1 568 774	1 568 774
2. Working For Water And Working On Fire	2 070 943	8 606	(34 361)	2 045 188	1 966 852	78 336	96.2%	1 995 619	1 956 805
3. Green Fund	110 455	-	-	110 455	110 455	-	100.0%	180 000	180 000
4. Environmental Programmes Management	174 149	52 033	-	226 182	226 182	-	100.0%	6 188	6 188
5. Information Management And Sector Coordination	67 285	(9 617)	-	57 668	57 668	-	100.0%	55 145	55 145
<b>Total for sub programmes</b>	<b>3 928 209</b>	<b>15 022</b>	<b>(34 361)</b>	<b>3 908 870</b>	<b>3 732 605</b>	<b>176 265</b>	<b>95.5%</b>	<b>3 805 726</b>	<b>3 766 912</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>483 679</b>	<b>2 633 185</b>	<b>(34 361)</b>	<b>3 082 503</b>	<b>2 906 238</b>	<b>176 265</b>	<b>94.3%</b>	<b>2 748 540</b>	<b>2 709 726</b>
Compensation of employees	228 969	15 022	-	243 991	243 991	-	100.0%	223 423	223 423
Salaries and wages	213 384	758	-	214 142	214 142	-	100.0%	195 815	195 815
Social contributions	15 585	14 264	-	29 849	29 849	-	100.0%	27 608	27 608
Goods and services	254 710	2 618 163	(34 361)	2 838 512	2 662 247	176 265	93.8%	2 525 117	2 486 303
Administrative fees	583	816	-	1 399	1 399	-	100.0%	364	364
Advertising	2 304	(1 666)	-	638	638	-	100.0%	1 501	1 501
Minor assets	3 009	(2 804)	-	205	205	-	100.0%	139	139
Audit costs: External	-	-	-	-	-	-	-	821	821
Bursaries: Employees	158	(78)	-	80	80	-	100.0%	247	247
Catering: Departmental activities	1 322	(364)	-	958	958	-	100.0%	802	802
Communication	6 173	(921)	-	5 252	5 252	-	100.0%	8 121	8 121

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 6: ENVIRONMENTAL PROGRAMMES									
Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Computer services	709	4 047	-	4 756	4 756	-	100.0%	3 632	3 632
Consultants: Business and advisory services	12 091	13 849	-	25 940	25 940	-	100.0%	24 544	24 544
Legal services	3 228	(3 218)	-	10	10	-	100.0%	2 167	2 167
Contractors	91 001	(32 629)	(34 361)	24 011	477	23 534	2.0%	143	143
Agency and support / outsourced services	11 113	2 576 009	-	2 587 122	2 434 391	152 731	94.1%	2 206 843	2 168 262
Entertainment	49	(48)	-	1	1	-	100.0%	8	8
Fleet services	2 600	(155)	-	2 445	2 445	-	100.0%	2 204	2 204
Inventory: Clothing material and supplies	-	5	-	5	5	-	100.0%	-	-
Inventory: Food and food supplies	43	(43)	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	9 353	13 277	-	22 630	22 630	-	100.0%	20 881	20 648
Inventory: Materials and supplies	9	98 651	-	98 660	98 660	-	100.0%	169 724	169 724
Consumable supplies	9 160	(7 564)	-	1 596	1 596	-	100.0%	1 857	1 857
Consumable: Stationery, printing and office supplies	3 112	(2 660)	-	452	452	-	100.0%	1 442	1 442
Operating leases	4 177	(581)	-	3 596	3 596	-	100.0%	3 520	3 520
Property payments	6 633	(4 752)	-	1 881	1 881	-	100.0%	509	509
Transport provided: Departmental activity	-	-	-	-	-	-	-	5	5
Travel and subsistence	55 215	(9 919)	-	45 296	45 296	-	100.0%	43 276	43 276
Training and development	12 627	(8 137)	-	4 490	4 490	-	100.0%	22 438	22 438
Operating payments	10 388	(6 348)	-	4 040	4 040	-	100.0%	6 870	6 870
Venues and facilities	9 653	(6 612)	-	3 041	3 041	-	100.0%	3 040	3 040
Rental and hiring	-	8	-	8	8	-	100.0%	19	19

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 6: ENVIRONMENTAL PROGRAMMES									
Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Transfers and subsidies</b>	<b>3 441 660</b>	<b>(2 981 717)</b>	<b>-</b>	<b>459 943</b>	<b>459 943</b>	<b>-</b>	<b>100.0%</b>	<b>702 175</b>	<b>702 175</b>
Provinces and municipalities	-	50	-	50	50	-	100.0%	33	33
Municipalities	-	50	-	50	50	-	100.0%	33	33
Municipal agencies and funds	-	50	-	50	50	-	100.0%	33	33
Departmental agencies and accounts	418 768	(37 357)	-	381 411	381 411	-	100.0%	548 180	548 180
Social security funds	-	2 643	-	2 643	2 643	-	100.0%	8 794	8 794
Departmental agencies	418 768	(40 000)	-	378 768	378 768	-	100.0%	539 386	539 386
Public corporations and private enterprises	110 455	(32 798)	-	77 657	77 657	-	100.0%	153 550	153 550
Public corporations	110 455	(32 798)	-	77 657	77 657	-	100.0%	153 550	153 550
Other transfers to public corporations	110 455	(32 798)	-	77 657	77 657	-	100.0%	153 550	153 550
Households	2 912 437	(2 911 612)	-	825	825	-	100.0%	412	412
Social benefits	-	588	-	588	588	-	100.0%	412	412
Other transfers to households	2 912 437	(2 912 200)	-	237	237	-	100.0%	-	-
<b>Payments for capital assets</b>	<b>2 870</b>	<b>363 551</b>	<b>-</b>	<b>366 421</b>	<b>366 421</b>	<b>-</b>	<b>100.0%</b>	<b>354 965</b>	<b>354 965</b>
Buildings and other fixed structures	-	357 022	-	357 022	357 022	-	100.0%	352 973	352 973
Other fixed structures	-	357 022	-	357 022	357 022	-	100.0%	352 973	352 973
Machinery and equipment	2 870	6 529	-	9 399	9 399	-	100.0%	1 992	1 992
Transport equipment	-	6 770	-	6 770	6 770	-	100.0%	-	-
Other machinery and equipment	2 870	(241)	-	2 629	2 629	-	100.0%	1 992	1 992
<b>Payments for financial assets</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>-</b>	<b>100.0%</b>	<b>46</b>	<b>46</b>
<b>TOTAL</b>	<b>3 928 209</b>	<b>15 022</b>	<b>(34 361)</b>	<b>3 908 870</b>	<b>3 732 605</b>	<b>176 265</b>	<b>95.5%</b>	<b>3 805 726</b>	<b>3 766 912</b>

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 7: CHEMICALS AND WASTE MANAGEMENT

Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Chemicals And Waste Management	6 482	7 978	-	14 460	14 460	-	100.0%	8 121	8 121
2. Hazardous Waste Management And Licensing	30 674	26 589	-	57 263	57 263	-	100.0%	25 588	25 588
3. General Waste And Municipal Support	39 923	10 313	-	50 236	50 236	-	100.0%	20 563	20 563
4. Chemicals And Waste Policy, Evaluation And Monitoring	329 012	(42 510)	(2 875)	283 627	215 460	68 167	76.0%	28 326	24 901
5. Chemicals Management	11 244	5 222	-	16 466	16 466	-	100.0%	15 795	15 795
<b>Total for sub programmes</b>	<b>417 335</b>	<b>7 592</b>	<b>(2 875)</b>	<b>422 052</b>	<b>353 885</b>	<b>68 167</b>	<b>83.8%</b>	<b>98 393</b>	<b>94 968</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>164 570</b>	<b>122 096</b>	<b>(7 057)</b>	<b>279 609</b>	<b>260 927</b>	<b>18 682</b>	<b>93.3%</b>	<b>91 053</b>	<b>87 628</b>
Compensation of employees	57 616	7 592	-	65 208	65 208	-	100.0%	53 396	53 396
Salaries and wages	53 442	4 212	-	57 654	57 654	-	100.0%	46 818	46 818
Social contributions	4 174	3 380	-	7 554	7 554	-	100.0%	6 578	6 578
Goods and services	106 954	105 488	(7 057)	205 385	186 703	18 682	90.9%	37 657	34 232
Administrative fees	284	(13)	-	271	271	-	100.0%	17	17
Advertising	325	282	-	607	607	-	100.0%	718	718
Minor assets	830	(791)	-	39	39	-	100.0%	26	26
Bursaries: Employees	154	(154)	-	-	-	-	-	19	19
Catering: Departmental activities	99	235	-	334	334	-	100.0%	273	273
Communication	534	(45)	-	489	489	-	100.0%	458	458



**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 7: CHEMICALS AND WASTE MANAGEMENT

Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Computer services	471	(471)	-	-	-	-	-	11 566	11 566
Consultants: Business and advisory services	15 678	50 385	-	66 063	66 063	-	100.0%	11 801	8 376
Legal services	-	4 452	-	4 452	4 452	-	100.0%	168	168
Contractors	-	68 616	-	68 616	68 616	-	100.0%	4	4
Agency and support / outsourced services	78 000	(25 533)	(7 057)	45 410	26 728	18 682	58.5%	-	-
Entertainment	-	5	-	5	5	-	100.0%	3	3
Consumable supplies	321	516	-	837	837	-	100.0%	296	296
Consumable: Stationery, printing and office supplies	1 591	(567)	-	1 024	1 024	-	100.0%	163	163
Operating leases	380	(298)	-	82	82	-	100.0%	108	108
Property payments	78	(78)	-	-	-	-	-	-	-
Travel and subsistence	2 677	9 809	-	12 486	12 486	-	100.0%	8 170	8 170
Training and development	311	316	-	627	627	-	100.0%	865	865
Operating payments	2 597	425	-	3 022	3 022	-	100.0%	2 191	2 191
Venues and facilities	2 600	(1 853)	-	747	747	-	100.0%	811	811
Rental and hiring	24	250	-	274	274	-	100.0%	-	-
Interest and rent on land	-	9 016	-	9 016	9 016	-	100.0%	-	-
Rent on land	-	9 016	-	9 016	9 016	-	100.0%	-	-
<b>Transfers and subsidies</b>	<b>252 132</b>	<b>(170 663)</b>	<b>4 182</b>	<b>85 651</b>	<b>36 166</b>	<b>49 485</b>	<b>42.2%</b>	<b>6 923</b>	<b>6 923</b>
Departmental agencies and accounts	7 132	-	4 182	11 314	11 314	-	100.0%	6 843	6 843
Departmental agencies	7 132	-	4 182	11 314	11 314	-	100.0%	6 843	6 843
Public corporations and private enterprises	-	24 776	-	24 776	24 776	-	100.0%	-	-

**APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

Programme 7: CHEMICALS AND WASTE MANAGEMENT

Sub programme	2017/18							2016/17	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Private enterprises	-	24 776	-	24 776	24 776	-	100.0%	-	-
Other transfers to private enterprises	-	24 776	-	24 776	24 776	-	100.0%	-	-
Households	245 000	(195 439)	-	49 561	76	49 485	0.2%	80	80
Social benefits	-	76	-	76	76	-	100.0%	80	80
Other transfers to households	245 000	(195 515)	-	49 485	-	49 485	-	-	-
<b>Payments for capital assets</b>	<b>633</b>	<b>56 159</b>	<b>-</b>	<b>56 792</b>	<b>56 792</b>	<b>-</b>	<b>100.0%</b>	<b>417</b>	<b>417</b>
Machinery and equipment	633	56 159	-	56 792	56 792	-	100.0%	417	417
Other machinery and equipment	633	56 159	-	56 792	56 792	-	100.0%	417	417
<b>TOTAL</b>	<b>417 335</b>	<b>7 592</b>	<b>(2 875)</b>	<b>422 052</b>	<b>353 885</b>	<b>68 167</b>	<b>83.8%</b>	<b>98 393</b>	<b>94 968</b>

**NOTSES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

**1. DETAIL OF TRANSFERS AND SUBSIDIES AS PER APPROPRIATION ACT (AFTER VIREMENT):**

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the Annual Financial Statements.

**2 Detail of specifically and exclusively appropriated amounts voted (after Virement):**

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

**2.1 Earmarked amounts included in the Appropriation Account can be summarised as follows:**

Expanded Public Works Programme Projects:	Main Appropriation	Adjustments	Adjusted Appropriation	Actual Expenditure	Variance
	R'000	R'000	R'000	R'000	R'000
Environmental Protection and Infrastructure Programme	773 128	(32 989)	740 139	651 642	88 497
Incentive: Environmental Protection and Infrastructure Programme	228 451	-	228 451	219 019	9 432
Working for Water	1 107 975	(28 442)	1 079 533	1 024 731	54 802
Incentive: Working for Water	160 996	-	160 996	160 996	-
Working on Fire	527 184	94 431	621 615	621 615	-
Incentive: Working on Fire	81 703	-	81 703	81 703	-
<b>TOTAL</b>	<b>2 879 437</b>	<b>33 000</b>	<b>2 912 437</b>	<b>2 759 706</b>	<b>152 731</b>

**2.2 Economic Competitive Support Package:**

	Main Appropriation	Adjustments	Adjusted Appropriation	Actual Expenditure	Variance
	R'000	R'000	R'000	R'000	R'000
Oceans and Marine Research and Development	100 000	-	100 000	100 000	-
iSimangaliso Wetland Park - equipment, facilities and infrastructure upgrade	32 000	-	32 000	32 000	-
Green Fund	110 455	-	110 455	110 455	-
<b>TOTAL</b>	<b>242 455</b>	<b>-</b>	<b>242 455</b>	<b>242 455</b>	<b>-</b>

Funds allocated from the Economic Support Package were spent according to the purpose indicated. The Oceans and Marine Research and Development allocation was utilised for the manning and operating expenditure for the Research Vessels of the Department. The allocation to iSimangaliso was transferred for infrastructure development. The allocation for the Green Fund was transferred to the Development Bank of South Africa for administration of the investment of the formal sector in green initiatives.

**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

2.3

Waste Bureau for Tyre recycling initiatives: Operations					
	Main Appropriation	Adjustments	Adjusted Appropriation	Actual Expenditure	Variance
	R'000	R'000	R'000	R'000	R'000
Waste Bureau for Tyre recycling initiatives: Operations	210 000	-	210 000	174 189	35 811
<b>TOTAL</b>	<b>210 000</b>	<b>-</b>	<b>210 000</b>	<b>174 189</b>	<b>35 811</b>

The Waste Bureau became operational on 1 October 2017 taking over the tyre recycling operations from REDISA (Recycling and Economic Development Initiative of South Africa) after the waste management plan was withdrawn and the entity has been placed in final liquidation.

2.4

Compensation of Employees					
	Main Appropriation	Adjustments	Adjusted Appropriation	Actual Expenditure	Variance
	R'000	R'000	R'000	R'000	R'000
Compensation of Employees ceiling	1 035 073	15 000	1 050 073	1 050 054	19
<b>TOTAL</b>	<b>1 035 073</b>	<b>15 000</b>	<b>1 050 073</b>	<b>1 050 054</b>	<b>19</b>

An amount of R1 035,073 million was allocated to the department to cover the cost of employees in the department. During the Adjusted Estimates an additional R15 million was approved to increase the compensation of employees ceiling to R1 050,073 million. The amount of R1 050,054 million was spent on the compensation of employees in the approved establishment of the department.

3

Detail on payments for financial assets					
Detail of these transactions per programme can be viewed in the note to Payments for financial assets to the Annual Financial Statements.					

**NOTES TO THE APPROPRIATION STATEMENT**  
**for the year ended 31 March 2018**

**EXPLANATIONS OF MATERIAL VARIANCES FROM AMOUNTS VOTED (AFTER VIREMENT):**

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
<b>Administration</b>	922 046	922 046	-	0%
<b>Legal, Authorisations And Compliance</b>	169 594	165 441	4 153	2%
Underspending due to invoices for Enforcement expenditure not received in time for payment during the 2017/18 financial year.				
<b>Oceans And Coasts</b>	434 138	428 613	5 525	1%
Underspending due to Operation Oceans Economy projects slower than anticipated and approval not granted by National Treasury for increased transfer payment to iSimangaliso Wetland Park for the Youth Training Programme (Artisan upskilling and Life guards training).				
<b>Climate Change And Air Quality</b>	295 824	294 887	937	0%
Underspending due to air quality monitoring projects slower than anticipated.				
<b>Biodiversity And Conservation</b>	695 690	692 660	3 030	0%
The under spending due to approval not granted by National Treasury for the increased transfer to SANPARKS for the financial contribution towards a beneficiation scheme with regard to the settlement agreement for community land claims at the Kruger National Park.				
<b>Environmental Programmes</b>	3 908 870	3 732 605	176 265	5%
The underspending due to Expanded Public Works Programme projects delayed due to the audit outcome clarification not cleared. Contracts entered into later than planned.				
<b>Chemicals And Waste Management</b>	422 052	353 885	68 167	16%

The Waste Management Bureau became operational 1 October 2017. The allocation towards the plastics programme not utilised due to the project set up slower than anticipated. The operations with regards to the tyre recycling initiatives progressed as anticipated. Equipment for the tyre recycling processes was ordered and a deposit paid. The delivery only expected in the 2018/19 financial year.

**NOTES TO THE APPROPRIATION STATEMENT  
for the year ended 31 March 2018**

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
<b>Current payments</b>				
Compensation of employees	1 050 073	1 050 054	19	0%
Goods and services	1 198 327	1 141 660	56 667	5%
Interest and rent on land	9 088	9 088	-	0%
<b>Transfers and subsidies</b>				
Provinces and municipalities	123	123	-	0%
Departmental agencies and accounts	1 210 794	1 210 794	-	0%
Public corporations and private enterprises	135 231	135 231	-	0%
Foreign governments and international organisations	16 000	16 000	-	0%
Non-profit institutions	8 084	8 084	-	0%
Households	2 972 874	2 771 483	201 391	7%
<b>Payments for capital assets</b>				
Buildings and other fixed structures	144 343	144 343	-	0%
Machinery and equipment	89 092	89 092	-	0%
Software and other intangible assets	14 174	14 174	-	-
<b>Payments for financial assets</b>	11	11	-	0%
<b>TOTAL</b>	<b>6 848 214</b>	<b>6 590 137</b>	<b>258 077</b>	<b>4%</b>

Goods and Services under expenditure due to invoices for Enforcement expenditure not received in time for payment during the 2017/18 financial year, Operation Oceans Economy projects slower than anticipated and approval not granted by National Treasury for increased transfer payment to iSimangaliso Wetland Park for the Youth Training Programme (Artisan upskilling and Life guards training), air quality monitoring projects slower than anticipated, approval not granted by National Treasury for the increased transfer to SANPARKS for the financial contribution towards a beneficiation scheme with regard to the settlement agreement for community land claims at the Kruger National Park.

Transfer Payments under expenditure Expanded Public Works Programme projects delayed due to the audit outcome clarification not cleared. Contracts entered into later than planned. The Waste Management Bureau became operational 1 October 2017. The allocation towards the plastics programme not utilised due to the project set up slower than anticipated. The operations with regards to the tyre recycling initiatives progressed as anticipated. Equipment for the tyre recycling processes was ordered and a deposit paid. The delivery only expected in the 2018/19 financial year.

**STATEMENT OF FINANCIAL PERFORMANCE**  
**for the year ended 31 March 2018**

	Note	2017/18	2016/17
		R'000	R'000
<b>REVENUE</b>			
Annual appropriation	1	6 848 214	6 425 101
Departmental revenue	2	29 244	21 180
Aid assistance	3	1 200	15 795
<b>TOTAL REVENUE</b>		<b>6 878 658</b>	<b>6 462 076</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	4	1 050 054	992 748
Goods and services	5	3 617 867	3 358 560
Interest and rent on land	6	9 016	-
Aid assistance	3	20 342	19 509
<b>Total current expenditure</b>		<b>4 697 279</b>	<b>4 370 817</b>
Transfers and subsidies	8	1 309 211	1 488 388
<b>Total transfers and subsidies</b>		<b>1 309 211</b>	<b>1 488 388</b>
Expenditure for capital assets			
Tangible assets	9	590 005	531 197
Intangible assets	9	14 174	9 987
<b>Total expenditure for capital assets</b>		<b>604 179</b>	<b>541 184</b>
Payments for financial assets	7	11	205
<b>TOTAL EXPENDITURE</b>		<b>6 610 680</b>	<b>6 400 594</b>
<b>SURPLUS FOR THE YEAR</b>		<b>267 978</b>	<b>61 482</b>
<b>Reconciliation of Net Surplus for the year</b>			
Voted funds		258 077	44 130
Annual appropriation		258 077	44 130
Departmental revenue and NRF Receipts	14	29 244	21 180
Aid assistance	3	(19 343)	(3 828)
<b>SURPLUS FOR THE YEAR</b>		<b>267 978</b>	<b>61 482</b>

**STATEMENT OF FINANCIAL POSITION**  
**as at 31 March 2018**

	Note	2017/18	2016/17
		R'000	R'000
<b>ASSETS</b>			
Current assets		305 332	50 447
Cash and cash equivalents	10	228 546	22 001
Prepayments and advances	11	741	515
Receivables	12	31 470	2 699
Aid assistance receivable	3	44 575	25 232
Non-current assets		532 764	458 082
Receivables	12	532 764	458 082
<b>TOTAL ASSETS</b>		<b>838 096</b>	<b>508 529</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>801 319</b>	<b>476 967</b>
Voted funds to be surrendered to the Revenue Fund	13	258 077	44 130
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	14	2 187	151
Payables	15	541 055	431 213
Aid assistance repayable	3	-	1 473
Non-current liabilities			
Payables	16	23 717	19 253
<b>TOTAL LIABILITIES</b>		<b>825 036</b>	<b>496 220</b>
<b>NET ASSETS</b>		<b>13 060</b>	<b>12 309</b>
<b>Represented by:</b>			
Recoverable revenue		13 060	12 309
<b>TOTAL</b>		<b>13 060</b>	<b>12 309</b>



**STATEMENT OF CHANGES IN NET ASSESTS**  
for the year ended 31 March 2018

	Note	2017/18	2016/17
		R'000	R'000
Recoverable revenue			
Opening balance		12 309	11 403
Transfers:		751	906
Irrecoverable amounts written off	7.2	(11)	(13)
Debts recovered (included in departmental receipts)		(171)	(129)
Debts raised		933	1 048
Closing balance		13 060	12 309
<b>TOTAL</b>		<b>13 060</b>	<b>12 309</b>

**CASH FLOW STATEMENT**  
**for the year ended 31 March 2018**

	Note	2017/18	2016/17
		R'000	R'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>		<b>6 878 458</b>	<b>6 461 990</b>
Annual appropriated funds received	1.1	6 848 214	6 425 101
Departmental revenue received	2	28 983	20 972
Interest received	2.3	61	122
Aid assistance received	3	1 200	15 795
Net (increase)/decrease in working capital		6 163	(15 809)
Surrendered to Revenue Fund		(71 338)	(26 653)
Surrendered to RDP Fund/Donor		(1 473)	-
Current payments		(4 697 279)	(4 370 817)
Payments for financial assets		(11)	(205)
Transfers and subsidies paid		(1 309 211)	(1 488 388)
<b>Net cash flow available from operating activities</b>	<b>17</b>	<b>805 309</b>	<b>560 118</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	9	(604 179)	(541 184)
Proceeds from sale of capital assets	2.4	200	86
<b>Net cash flows from investing activities</b>		<b>(603 979)</b>	<b>(541 098)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase in net assets		751	906
Increase in non-current payables		4 464	587
<b>Net cash flows from financing activities</b>		<b>5 215</b>	<b>1 493</b>
Net increase in cash and cash equivalents		206 545	20 513
Cash and cash equivalents at beginning of period		22 001	1 488
<b>Cash and cash equivalents at end of period</b>	<b>18</b>	<b>228 546</b>	<b>22 001</b>

**ACCOUNTING POLICIES**  
**for the year ended 31 March 2018**

**Summary of significant accounting policies**

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1	Basis of preparation The financial statements have been prepared in accordance with the Modified Cash Standard.
2	Going concern The financial statements have been prepared on a going concern basis.
3	Presentation currency Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
4	Rounding Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R000).
5	Foreign currency translation Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6	Comparative information
6.1	Prior period comparative information Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	Current year comparison with budget A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7	Revenue
7.1	Appropriated funds Appropriated funds comprises of departmental allocations. Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

**ACCOUNTING POLICIES**  
**for the year ended 31 March 2018**

**Summary of significant accounting policies**

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7.2	<p>Departmental revenue</p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
7.3	<p>Accrued departmental revenue</p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and the amount of revenue can be measured reliably.</p> <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy</p>
8	Expenditure
8.1	Compensation of employees
8.1.1	<p>Salaries and wages</p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
8.1.2	<p>Social contributions</p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.</p>
8.2	<p>Other expenditure</p> <p>Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.</p>
8.3	<p>Accruals and payables not recognised</p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.</p>
8.4	Leases

**ACCOUNTING POLICIES**  
**for the year ended 31 March 2018**

**Summary of significant accounting policies**

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8.4.1	<p>Operating leases</p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
8.4.2	<p>Finance leases</p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: cost, being the fair value of the asset; or the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.</p>
9	Aid Assistance
9.1	<p>Aid assistance received</p> <p>Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.</p> <p>Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.</p>
9.2	<p>Aid assistance paid</p> <p>Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.</p>
10	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.</p>

**ACCOUNTING POLICIES**  
**for the year ended 31 March 2018**

Summary of significant accounting policies

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11	<p>Prepayments and advances</p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p>
12	<p>Loans and receivables</p> <p>Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.</p>
13	<p>Investments</p> <p>Investments are recognised in the statement of financial position at cost.</p>
14	Financial assets
14.1	<p>Financial assets (not covered elsewhere)</p> <p>A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.</p> <p>At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.</p>
14.2	<p>Impairment of financial assets</p> <p>Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.</p>
15	<p>Payables</p> <p>Payables recognised in the statement of financial position are recognised at cost.</p>
16	Capital Assets

**ACCOUNTING POLICIES**  
**for the year ended 31 March 2018**

**Summary of significant accounting policies**

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16.1	<p>Immovable capital assets</p> <p>Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p> <p>Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.</p>
16.2	<p>Movable capital assets</p> <p>Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.</p> <p>Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>
16.3	<p>Intangible assets</p> <p>Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>

**ACCOUNTING POLICIES**  
**for the year ended 31 March 2018**

**Summary of significant accounting policies**

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16.4	<p>Project Costs: Work-in-progress</p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
17	Provisions and Contingents
17.1	<p>Provisions</p> <p>Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and 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 of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.</p>
17.2	<p>Contingent liabilities</p> <p>Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.</p>
17.3	<p>Contingent assets</p> <p>Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.</p>
17.4	<p>Commitments</p> <p>Commitments (other than for transfers and subsidies) are recorded at cost in the notes to the financial statements when there is a contractual arrangement or an approval by management in a manner that raises a valid expectation that the department will discharge its responsibilities thereby incurring future expenditure that will result in the outflow of cash.</p>
18	<p>Unauthorised expenditure</p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either: approved by Parliament or the Provincial Legislature with funding and the related funds are received; or approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or Transferred to receivables for recovery.</p> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>



**ACCOUNTING POLICIES**  
**for the year ended 31 March 2018**

**Summary of significant accounting policies**

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19	<p>Fruitless and wasteful expenditure</p> <p>Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables for recovery.</p> <p>Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
20	<p>Irregular expenditure</p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefore are provided in the note.</p> <p>Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery or not condoned and is not recoverable.</p> <p>Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.</p>
21	<p>Changes in accounting policies, accounting estimates and errors</p> <p>Changes in accounting policies that are effected by management have been applied retrospectively in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such instances the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.</p>
22	<p>Events after the reporting date</p> <p>Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.</p>
23	<p>Principal-Agent arrangements</p> <p>The department is party to a principal-agent arrangement for payment via the South African Post Office. In terms of the arrangement the department is the principal and is responsible for payment schedules and transaction allocates. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>

**ACCOUNTING POLICIES**  
**for the year ended 31 March 2018**

**Summary of significant accounting policies**

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Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

24	<p>Recoverable revenue</p> <p>Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.</p>
25	<p>Related party transactions</p> <p>A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party. Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the department. The number of individuals and their full compensation is recorded in the notes to the financial statements.</p>
26	<p>Inventories</p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p> <p>The cost of inventories is assigned by using the weighted average cost basis.</p>
27	<p>Public-Private Partnerships</p> <p>Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p>
28	<p>Employee benefits</p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**1. ANNUAL APPROPRIATION**

**1.1 Annual Appropriation**

Included are funds appropriated in terms of the Appropriation Act (and the Adjustments Appropriation Act) for National Departments (Voted funds) and Provincial Departments:

	2017/18			2016/17	
	Final Appropriation	Actual Funds Received	Funds not requested/not received	Final Appropriation	Appropriation received
	R'000	R'000	R'000	R'000	R'000
Administration	922 046	922 046	-	828 874	828 874
Legal, Authorisations and Compliance	169 594	169 594	-	154 303	154 303
Oceans and Coasts	434 138	434 138	-	502 681	502 681
Climate Change and Air Quality	295 824	295 824	-	296 403	296 403
Biodiversity and Conservation	695 690	695 690	-	738 721	738 721
Environmental Programmes	3 908 870	3 908 870	-	3 805 726	3 805 726
Chemicals and Waste Management	422 052	422 052	-	98 393	98 393
<b>TOTAL</b>	<b>6 848 214</b>	<b>6 848 214</b>	<b>-</b>	<b>6 425 101</b>	<b>6 425 101</b>

**2. DEPARTMENTAL REVENUE**

	Note	2017/18	2016/17
		R'000	R'000
Sales of goods and services other than capital assets	2.1	3 155	3 520
Fines, penalties and forfeits	2.2	1 775	2 240
Interest, dividends and rent on land	2.3	61	122
Sales of capital assets	2.4	200	86
Transactions in financial assets and liabilities	2.5	24 053	15 212
<b>Departmental revenue collected</b>		<b>29 244</b>	<b>21 180</b>

## 2.1 Sales of goods and services other than capital assets

	Note	2017/18	2016/17
	2	R'000	R'000
Sales of goods and services produced by the department		3 154	3 520
Sales by market establishment		225	233
Administrative fees		2 591	2 976
Other sales		338	311
Sales of scrap, waste and other used current goods		1	-
<b>TOTAL</b>		<b>3 155</b>	<b>3 520</b>

## 2.2 Fines, penalties and forfeits

	Note	2017/18	2016/17
	2	R'000	R'000
Fines		1 775	2 240
<b>TOTAL</b>		<b>1 775</b>	<b>2 240</b>

## 2.3 Interest, dividends and rent on land

	Note	2017/18	2016/17
	2	R'000	R'000
Interest		61	122
<b>TOTAL</b>		<b>61</b>	<b>122</b>

## 2.4 Sale of capital assets

	Note	2017/18	2016/17
	2	R'000	R'000
Tangible assets		200	86
Machinery and equipment	29	200	86
<b>TOTAL</b>		<b>200</b>	<b>86</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**2.5 Transactions in financial assets and liabilities**

	Note	2017/18	2016/17
	2	R'000	R'000
Receivables		241	624
Forex gain		2	-
Other Receipts including Recoverable Revenue		23 810	14 588
<b>TOTAL</b>		<b>24 053</b>	<b>15 212</b>

included in 2017/18 is a refund of R8,5m from Walter Sisulu University (WSU) for the establishment and maintenance of the National Pollution Laboratory, 2016/17 includes NRF Salary claim for South African Antarctica Programme (SANAP) scientists personnel appointed amounting to R8,271m.

**3. AID ASSISTANCE**

	Note	2017/18	2016/17
		R'000	R'000
Opening Balance		(23 759)	(19 931)
Transferred from statement of financial performance		(19 343)	(3 828)
Paid during the year		(1 473)	-
<b>Closing Balance</b>		<b>(44 575)</b>	<b>(23 759)</b>

Transferred from statement of financial performance is the difference between aid assistance revenue to the amount of R1,200m and the expenditure of R20, 544m (R201 thousand capital expenditure and R20,343m current expenditure). See annexure 1G

**3.1 Analysis of balance by source**

	Note	2017/18	2016/17
		R'000	R'000
Aid assistance from RDP	3	(44 575)	(23 759)
<b>Closing balance</b>		<b>(44 575)</b>	<b>(23 759)</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**3.2 Analysis of balance**

	<i>Note</i>	2017/18	2016/17
		R'000	R'000
Aid assistance receivable	3	(44 575)	(25 232)
Aid assistance repayable	3	-	1 473
<b>Closing balance</b>		<b>(44 575)</b>	<b>(23 759)</b>

**3.3 Aid assistance expenditure per economic classification**

	<i>Note</i>	2017/18	2016/17
		R'000	R'000
Current		20 342	19 509
Capital		201	114
<b>Total aid assistance expenditure</b>		<b>20 543</b>	<b>19 623</b>

**4. COMPENSATION OF EMPLOYEES**

**4.1 Salaries and Wages**

	<i>Note</i>	2017/18	2016/17
		R'000	R'000
Basic salary		729 517	686 834
Performance award		17 006	15 241
Service Based		1 309	412
Compensative/circumstantial		16 732	13 198
Periodic payments		-	138
Other non-pensionable allowances		160 192	160 420
<b>TOTAL</b>		<b>924 756</b>	<b>876 243</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
for the year ended 31 March 2018

**4.2 Social contributions**

	Note	2017/18	2016/17
		R'000	R'000
Employer contributions			
Pension		91 807	85 007
Medical		33 339	31 358
Bargaining council		152	140
<b>TOTAL</b>		<b>125 298</b>	<b>116 505</b>
Total compensation of employees		1 050 054	992 748
Average number of employees		1 823	1 824

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**5. GOODS AND SERVICES**

	Note	2017/18	2016/17
		R'000	R'000
Administrative fees		8 361	3 462
Advertising		35 171	15 983
Minor assets	5.1	1 578	2 403
Bursaries (employees)		1 838	1 640
Catering		5 546	11 374
Communication		17 314	21 635
Computer services	5.2	73 611	75 878
Consultants: Business and advisory services		178 791	169 373
Laboratory services		1 791	990
Legal services		13 031	9 842
Contractors		80 082	15 229
Agency and support / outsourced services		2 624 222	2 351 495
Entertainment		18	43
Audit cost - external	5.3	6 801	8 469
Fleet services		6 386	10 425
Inventory	5.4	122 914	196 094
Consumables	5.5	33 931	25 176
Operating leases		79 654	81 008
Property payments	5.6	19 478	16 515
Rental and hiring		2 279	5 781
Transport provided as part of the departmental activities		20	2 372
Travel and subsistence	5.7	182 855	171 132
Venues and facilities		33 918	60 613
Training and development		24 775	35 691
Other operating expenditure	5.8	63 502	65 937
<b>TOTAL</b>		<b>3 617 867</b>	<b>3 358 560</b>



**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

Included in Advertising is an amount of R26,6m for Marketing costs, mainly for the 3<sup>rd</sup> and 4<sup>th</sup> phase of advertising to publicise targets and strides made in Operation Phakisa: Oceans Economy amounting to R10m, and for the implementation of the DEA Communication Strategy informed by the MINMEC decisions advocating active environment communications to raise public awareness amounting to R8m - GCIS

Included in Contractors is an amount R22,9m for Disposal Services to Depot facilities and processors as well as Transportation and Relocation cost amounting to R45,6m for Micro collectors and transporters - Waste Bureau Management.

Included in Venues and facilities for 2016/17 is an amount of R35,890m for Venue hire and related costs for the 17th meeting of the Conference Of the Parties (COP17) to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

Training and Development includes an amount of R10m for Non-Employees for clearing invasive alien plants/restoration of natural resources as well as for Environmental Science Technician Learner ship and other related training programmes.

#### 5.1 Minor assets

	Note	2017/18	2016/17
	5	R'000	R'000
<b>Tangible assets</b>		<b>1 576</b>	<b>2 403</b>
Machinery and equipment		1 576	2 278
Transport assets		-	125
<b>Intangible assets</b>		<b>2</b>	<b>-</b>
Software		2	-
<b>TOTAL</b>		<b>1 578</b>	<b>2 403</b>

#### 5.2 Computer services

	Note	2017/18	2016/17
	5	R'000	R'000
SITA computer services		41 299	34 434
External computer service providers		32 312	41 444
<b>TOTAL</b>		<b>73 611</b>	<b>75 878</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**5.3 Audit cost – External**

	<i>Note</i>	2017/18	2016/17
	5	R'000	R'000
Regularity audits		6 088	7 200
Investigations		713	1 269
<b>TOTAL</b>		<b>6 801</b>	<b>8 469</b>

**5.4 Inventory**

	<i>Note</i>	2017/18	2016/17
	5	R'000	R'000
Clothing material and accessories		1 296	1 214
Food and food supplies		242	1 141
Fuel, oil and gas		22 716	24 014
Materials and Supplies		98 660	169 725
<b>TOTAL</b>		<b>122 914</b>	<b>196 094</b>

Included under the item Material and Supplies is an amount of R98, 660m (169, 725m) for Eco-Furniture Project payment.

Included under the item fuel, oil and gas for 2017/18 is an amount of R22,7m (R29,2m for 2016/17) for the purchase of herbicides for use by Environmental Programmes.

**5.5 Consumables**

	<i>Note</i>	2017/18	2016/17
	5	R'000	R'000
<b>Consumable supplies</b>		<b>25 595</b>	<b>17 318</b>
Uniform and clothing		4 229	4 429
Household supplies		4 921	5 241
Building material and supplies		1	3 505
Communication accessories		6	246
IT consumables		1 091	689
Other consumables		15 347	3 208
Stationery, printing and office supplies		8 336	7 858
<b>TOTAL</b>		<b>33 931</b>	<b>25 176</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**5.6 Property payments**

	Note	2017/18	2016/17
	5	R'000	R'000
Municipal services		6 400	11 694
Property management fees		9 808	506
Property maintenance and repairs		848	2 808
Other		2 422	1 507
<b>TOTAL</b>		<b>19 478</b>	<b>16 515</b>

**5.7 Travel and subsistence**

	Note	2017/18	2016/17
	5	R'000	R'000
Local		133 546	126 311
Foreign		49 309	44 821
<b>TOTAL</b>		<b>182 855</b>	<b>171 132</b>

**5.8 Other operating expenditure**

	Note	2017/18	2016/17
	5	R'000	R'000
Professional bodies, membership and subscription fees		18 496	14 081
Resettlement costs		1 145	1 172
*Other		43 861	50 684
<b>TOTAL</b>		<b>63 502</b>	<b>65 937</b>

\*Included in other is mainly charter services and landing rights (R32m), Courier and delivery services (R1,6m)

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**6. RENT ON LAND**

	Note	2017/18	2016/17
		R'000	R'000
Rent on land		9 016	-
<b>TOTAL</b>		<b>9 016</b>	<b>-</b>

Leased land used as depot to store and pre-process waste tyres.

**7. PAYMENTS FOR FINANCIAL ASSETS**

	Note	2017/18	2016/17
		R'000	R'000
Other material losses written off	7.1	-	192
Debts written off	7.2	11	13
<b>TOTAL</b>		<b>11</b>	<b>205</b>

**7.1 Other material losses written off**

	Note	2017/18	2016/17
	7	R'000	R'000
Nature of other material losses			
Vehicle losses – damaged due to accidents		-	192
<b>TOTAL</b>		<b>-</b>	<b>192</b>

**7.2 Debt written off**

	Note	2017/18	2016/17
	7	R'000	R'000
Debtors		11	13
<b>Total debt written off</b>		<b>11</b>	<b>13</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**8. TRANSFERS AND SUBSIDIES**

	Note	2017/18	2016/17
		R'000	R'000
Provinces and municipalities	33	123	127
Departmental agencies and accounts	Annex 1A	1 170 794	1 309 960
Public corporations and private enterprises	Annex 1B	102 433	153 550
Foreign governments and international organisations	Annex 1C	16 000	16 000
Non-profit institutions	Annex 1D	8 084	4 487
Households	Annex 1E	11 777	4 264
<b>TOTAL</b>		<b>1 309 211</b>	<b>1 488 388</b>

**9. EXPENDITURE FOR CAPITAL ASSETS**

	Note	2017/18	2016/17
		R'000	R'000
<b>Tangible assets</b>		<b>590 005</b>	<b>531 197</b>
Buildings and other fixed structures	31	501 365	489 837
Machinery and equipment	29	88 640	41 360
<b>Intangible assets</b>		<b>14 174</b>	<b>9 987</b>
Software	30	14 174	9 987
<b>TOTAL</b>		<b>604 179</b>	<b>541 184</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**9.1 Analysis of funds utilised to acquire capital assets – 2017/18**

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
<b>Tangible assets</b>	<b>589 804</b>	<b>201</b>	<b>590 005</b>
Buildings and other fixed structures	501 365	-	501 365
Machinery and equipment	88 439	201	88 640
<b>Intangible assets</b>	<b>14 174</b>	<b>-</b>	<b>14 174</b>
Software	14 174	-	14 174
<b>TOTAL</b>	<b>603 978</b>	<b>201</b>	<b>604 179</b>

**9.2 Analysis of funds utilised to acquire capital assets – 2016/17**

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
<b>Tangible assets</b>	<b>531 083</b>	<b>114</b>	<b>531 197</b>
Buildings and other fixed structures	489 837	-	489 837
Machinery and equipment	41 246	114	41 360
<b>Intangible assets</b>	<b>9 987</b>	<b>-</b>	<b>9 987</b>
Software	9 987	-	9 987
<b>TOTAL</b>	<b>541 070</b>	<b>114</b>	<b>541 184</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**9.3 Finance lease expenditure included in Expenditure for capital assets**

	Note	2017/18	2016/17
		R'000	R'000
<b>Tangible assets</b>			
Buildings and other fixed structures		144 343	136 864
Machinery and equipment		-	104
<b>TOTAL</b>		<b>144 343</b>	<b>136 968</b>

**10. CASH AND CASH EQUIVALENTS**

	Note	2017/18	2016/17
		R'000	R'000
Consolidated Paymaster General Account		226 262	21 748
Cash on hand		222	222
Cash with commercial banks (Local)		2 062	31
<b>TOTAL</b>		<b>228 546</b>	<b>22 001</b>

The Departmental Paymaster general reflected a favourable balance of R246, 385m (R51,178m 2016/17), deposits of R12 thousand (R4 thousand 2016/17) and outstanding payments of R20, 137m (R29,434m 2016/17)

**11. PREPAYMENTS AND ADVANCES**

	Note	2017/18	2016/17
		R'000	R'000
Travel and subsistence		741	515
<b>TOTAL</b>		<b>741</b>	<b>515</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**12. RECEIVABLES**

		2017/18			2016/17		
		Current	Non-current	Total	Current	Non-current	Total
	Note	R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	12.1	13 083	-	13 083	899	22 937	23 836
Trade receivables	12.2	12 331	532 764	545 095	-	431 329	431 329
Recoverable expenditure	12.3	4 559	-	4 559	1 512	2 460	3 972
Staff debt	12.4	1 463	-	1 463	288	1 339	1 627
Other debtors	12.5	34	-	34	-	17	17
<b>TOTAL</b>		<b>31 470</b>	<b>532 764</b>	<b>564 234</b>	<b>2 699</b>	<b>458 082</b>	<b>460 781</b>

**12.1 Claims recoverable**

	Note	2017/18	2016/17
	12 and Annex 4	R'000	R'000
National departments		890	899
Public entities		7 014	17 758
Local governments		5 179	5 179
<b>TOTAL</b>		<b>13 083</b>	<b>23 836</b>

Included in 2016/17 is an amount of R17,8m for NRF Salary claim for South African Antarctica Programme (SANAP) scientists personnel appointed, and 2017/18 (R7m).



**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**12.2 Trade receivables**

	Note	2017/18	2016/17
	12	R'000	R'000
Implementation Projects		12 331	11 540
Green Fund		532 764	419 789
<b>TOTAL</b>		<b>545 095</b>	<b>431 329</b>

**12.3 Recoverable expenditure**

	Note	2017/18	2016/17
	12	R'000	R'000
Department Suspense Account		4 500	3 933
Control Account		59	39
<b>TOTAL</b>		<b>4 559</b>	<b>3 972</b>

**12.4 Staff debt**

	Note	2017/18	2016/17
	12	R'000	R'000
Debt Accounts		1 463	1 627
<b>TOTAL</b>		<b>1 463</b>	<b>1 627</b>

**12.5 Other debtors**

	Note	2017/18	2016/17
	12	R'000	R'000
Other		34	17
<b>TOTAL</b>		<b>34</b>	<b>17</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**13. VOTED FUNDS TO BE SURRENDERED TO THE REVENUE FUND**

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		44 130	5 377
Transfer from statement of financial performance (as restated)		258 077	44 130
Paid during the year		(44 130)	(5 377)
<b>Closing balance</b>		<b>258 077</b>	<b>44 130</b>

**14. DEPARTMENTAL REVENUE AND NRF RECEIPTS TO BE SURRENDERED TO THE REVENUE FUND**

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		151	247
Transfer from Statement of Financial Performance (as restated)		29 244	21 180
Paid during the year		(27 208)	(21 276)
<b>Closing balance</b>		<b>2 187</b>	<b>151</b>

**15. PAYABLES - CURRENT**

	Note	2017/18	2016/17
		R'000	R'000
Amounts owing to other entities		509 047	400 536
Other payables	15.1	32 008	30 677
<b>TOTAL</b>		<b>541 055</b>	<b>431 213</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**15.1 Other payables**

	Note	2017/18	2016/17
	15	R'000	R'000
Salary related payables		243	170
Departmental suspense accounts		31 712	30 496
Control account		53	11
<b>TOTAL</b>		<b>32 008</b>	<b>30 677</b>

**16. PAYABLES - NON-CURRENT**

	Note	2017/18				2016/17
		R'000	R'000	R'000	R'000	R'000
		One to two years	Two to three years	More than three years	Total	Total
Amounts owing to other entities		23 717	-	-	23 717	19 253
<b>TOTAL</b>		<b>23 717</b>	<b>-</b>	<b>-</b>	<b>23 717</b>	<b>19 253</b>

**17. NET CASH FLOW AVAILABLE FROM OPERATING ACTIVITIES**

	Note	2017/18	2016/17
		R'000	R'000
Net surplus as per Statement of Financial Performance		267 978	61 482
<b>Add back non cash/cash movements not deemed operating activities</b>		<b>537 331</b>	<b>498 636</b>
(Increase) in receivables – current		(103 453)	(187 467)
(Increase) in prepayments and advances		(226)	(40)
Increase in payables – current		109 842	171 698
Proceeds from sale of capital assets		(200)	(86)
Expenditure on capital assets		604 179	541 184
Surrenders to Revenue Fund		(71 338)	(26 653)
Surrenders to RDP Fund		(1 473)	-
<b>Net cash flow generated by operating activities</b>		<b>805 309</b>	<b>560 118</b>

The surrenders to Revenue Fund include both the previous year portion of Voted Funds to be surrendered but paid during the year (Note 13) and the department revenue paid during this year (note 14).

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**18. RECONCILIATION OF CASH AND CASH EQUIVALENTS FOR CASH FLOW PURPOSES**

	Note	2017/18	2016/17
		R'000	R'000
Consolidated Paymaster General account		226 262	21 748
Cash on hand		222	222
Commercial Bank Account		2 062	31
<b>TOTAL</b>		<b>228 546</b>	<b>22 001</b>

**19. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

**Contingent liabilities**

	Note	2017/18	2016/17
		R'000	R'000
Liability to Nature			
Housing loan guarantees Employees	Annex 3A	236	291
Claims against the department	Annex 3B	53 535	7 858
Intergovernmental payables (unconfirmed balances)	Annex 5	-	12
<b>TOTAL</b>		<b>53 771</b>	<b>8 161</b>

Claims against the department includes litigation from Redefine Properties Limited as a result of items damaged or defective on termination of lease agreement.

**Contingent assets**

	Note	2017/18	2016/17
		R'000	R'000
Nature of contingent asset			
Section 24G Administration fines		1 025	1 025
Claims against service provider / employees		88	104
<b>TOTAL</b>		<b>1 113</b>	<b>1 129</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**20. COMMITMENTS**

	Note	2017/18	2016/17
		R'000	R'000
<b>Current expenditure</b>			
Approved and contracted		7 270 488	4 973 332
Approved but not yet contracted		1 127 232	214 164
		8 397 720	5 187 496
<b>Capital expenditure</b>			
Approved and contracted		676 478	887 500
		<b>676 478</b>	<b>887 500</b>
<b>Total Commitments</b>		<b>9 074 198</b>	<b>6 074 996</b>

Current Expenditure – approved but not yet contracted includes an amount of R951m to African Marine Solution Group for manning, management and maintenance of the Polar supply and research vessel Agulhas ii and Algoa vessel.

Commitment amounts are based on the outstanding value of the full remaining contract period which may be more than 12 months.

**21. ACCRUALS AND PAYABLES NOT RECOGNISED**

**21.1 Accruals**

				2017/18	2016/17
				R'000	R'000
<b>Listed by economic classification</b>		<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Goods and services		30 115	172	30 287	28 269
Capital assets		415	-	415	428
Other		2 224	-	2 224	47
<b>TOTAL</b>		<b>32 754</b>	<b>172</b>	<b>32 926</b>	<b>28 744</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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	Note	2017/18		2016/17
		R'000		R'000
Listed by programme level				
Administration		2 091		8 899
Legal, Authorisation and Compliance		251		869
Ocean and Coasts		4 757		7 381
Climate Change and Air Quality		144		771
Biodiversity and Conservation		3 205		1 434
Environmental Programmes		2 108		8 340
Chemicals and Waste Management		18 146		1 003
Other (Assets & Liabilities)		2 224		47
<b>TOTAL</b>		<b>32 926</b>		<b>28 744</b>

	Note	2017/18		2016/17
		R'000		R'000
Included in the above totals are the following:				
Confirmed balances with other departments	Annex 5	4 510		9 522
Confirmed balances with other government entities	Annex 5	-		29 643
<b>TOTAL</b>		<b>4 510</b>		<b>39 165</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**22. EMPLOYEE BENEFITS**

	Note	2017/18	2016/17
		R'000	R'000
Leave entitlement		21 164	20 270
Service bonus (Thirteenth cheque)		27 569	26 286
Performance awards		17 235	15 526
Capped leave commitments		10 791	12 079
*Other		330	412
<b>TOTAL</b>		<b>77 089</b>	<b>74 573</b>

A negative amount of R803 thousand was offset against leave entitlement. The amount was as a result of pro-rata calculation of leave taken by employees as at 31 March 2018.

If an employee takes more leave than what is entitled, it results in a negative leave balance. This situation is automatically rectified during the following leave period.

\* Other includes Long service recognition as follow:

1. 16 employees qualified for 20 years continued service cash award of R9 886 (R158 176)
2. 6 employees qualified for 30 years continued service cash award of R19 771 (R118 626)
3. 2 employees qualified for 40 years continued service cash award of R26 362 (R52 724)

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**23. LEASE COMMITMENTS**

**23.1 Operating leases**

2017/18	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	13 490	9 106	3 827	26 423
Later than 1 year and not later than 5 years	-	40 236	7 925	3 270	51 431
<b>Total lease commitments</b>	-	<b>53 726</b>	<b>17 031</b>	<b>7 097</b>	<b>77 854</b>

2016/17	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	20 063	3 847	23 910
Later than 1 year and not later than 5 years	-	-	16 301	3 214	19 515
Later than five years	-	-	-	21	21
<b>Total lease commitments</b>	-	-	<b>36 364</b>	<b>7 082</b>	<b>43 446</b>

\*The escalation clauses of the 32 buildings leased by the department range from 5.5% to 10%" and 5% to 11% for Temporary Storage and Pre-processing of waste Tyre Facilities.  
The department is occupying 16 buildings where leases has expired & the process of renewing the leases has not begun. The potential commitment amounts to R60 012 million per year.

**23.2 Finance leases \*\***

2016/17	Specialised military equipment	Land	Buildings and other fixed structures	Machinery and equipment	Total
Not later than 1 year	-	-	-	41	41
<b>Total lease commitments</b>	-	-	-	<b>41</b>	<b>41</b>

\*\*This note excludes leases relating to public private partnership as they are separately disclosed in note no. 27.

**24. ACCRUED DEPARTMENTAL REVENUE**

	Note	2017/18	2016/17
		R'000	R'000
Fines, penalties and forfeits		50	50
<b>TOTAL</b>		<b>50</b>	<b>50</b>



**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**24.1 Analysis of accrued departmental revenue**

	Note	2017/18	2016/17
		R'000	R'000
Opening balance		50	1 150
Less: amounts received		-	1 100
<b>Closing balance</b>		<b>50</b>	<b>50</b>

Included in 2016/17 is an amount of R1m from Transnet for the unlawful construction and upgrade of the Transnet service road or the rail line from Tankatara level crossing to Coega station, Eastern Cape province.

**25. RELATED PARTY TRANSACTIONS**

Payments made	Note	2017/18	2016/17
		R'000	R'000
Goods and services		20	527
<b>TOTAL</b>		<b>20</b>	<b>527</b>

Schedule 3A: South African Biodiversity Institute (SANBI) – Usage of conference facilities & accommodation (transactions not on arm's length).

Schedule 3A: South African National Parks (SANParks) – All transactions are done in terms of appropriation or at arm's length basis.

Schedule 3A: South African Weather Service (SAWS) – All transactions are done in terms of appropriation or at arm's length basis.

Schedule 3A: iSimangaliso Wetland Park Authority - All transactions are done in terms of appropriation or at arm's length basis.

**26. KEY MANAGEMENT PERSONNEL**

	No. of Individuals	2017/18	2016/17
		R'000	R'000
Political office bearers	2	4 379	4 546
Level 15 to 16	15	23 878	18 165
Level 14	56	57 478	52 299
<b>TOTAL</b>		<b>85 735</b>	<b>75 010</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**27. PUBLIC PRIVATE PARTNERSHIP**

	Note	2017/18	2016/17
		R'000	R'000
Unitary fee paid		151 395	146 523
Fixed component		144 343	136 864
Indexed component		7 052	9 659
<b>Analysis of indexed component</b>		<b>7 052</b>	<b>9 659</b>
Goods and services (excluding lease payments)		7 052	9 659

The Department entered into a Public Private Partnership with Imvelo Concession Company (Pty) Ltd (RF) (the company) to erect a DEA Green Building Campus over a two year period, ending June 2014, where after the company will manage the operations, maintenance and financing of the facility for a period of 25 years.

In terms of the PPP agreement, DEA has to contribute R366 million to reduce the unitary payment for the 2012/12 and 2013/14 financial year. Over the remaining 25 years the unitary payment of approximately R124 million per year is payable by DEA from the 2014/15 financial year, increasing with CPI on an annual basis. The commencement of the PPP accounting term is the 1 August 2014, the date from which DEA is entitled to exercise its right to use the asset.

Gross unitary monthly instalment per clause 2.3 has been paid amounting to R144, 343m, Pass-through costs and additional payment amounting to R7, 052m as per Clause 6.24 of Schedule 6 of the PPP Agreement as at 31 March'17.

The Imvelo Concession Company (Pty) Ltd consists of the following concessionaires:

Grinakar/Aveng LTD 30%

Old Mutual PLC 30%

Wiphold LTD 20%, and

Kagiso/Tiso Holdings 20%

**28. IMPAIRMENT (OTHER THAN RECEIVABLES, ACCRUED DEPARTMENTAL REVENUE, LOANS AND INVESTMENTS)**

	Note	2017/18	2016/17
		R'000	R'000
Debtors		295	288
<b>TOTAL</b>		<b>295</b>	<b>288</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**29. MOVABLE TANGIBLE CAPITAL ASSETS**

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018					
	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>1 772 239</b>	<b>-</b>	<b>46 358</b>	<b>13 208</b>	<b>1 805 389</b>
Transport assets	1 502 531	-	20 015	1 582	1 520 964
Computer equipment	86 782	-	12 549	11 375	87 956
Furniture and office equipment	13 657	-	817	204	14 270
Other machinery and equipment	169 269	-	12 977	47	182 199
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>1 772 239</b>	<b>-</b>	<b>46 358</b>	<b>3 208</b>	<b>1 805 389</b>

**29.1 Additions**

ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018					
	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>88 640</b>	<b>12 993</b>	<b>(55 520)</b>	<b>245</b>	<b>46 358</b>
Transport assets	11 240	8 775	-	-	20 015
Computer equipment	11 873	461	-	215	12 549
Furniture and office equipment	604	227	-	(14)	817
Other machinery and equipment	64 923	3 530	(55 520)	44	12 977
<b>TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>88 640</b>	<b>12 993</b>	<b>(55 520)</b>	<b>245</b>	<b>46 358</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**29.2 Disposals**

DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018					
	Sold for cash	Non-cash disposal	Total disposals		Cash Received Actual
	R'000	R'000	R'000		R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>10 227</b>	<b>2 981</b>	<b>13 208</b>		<b>200</b>
Transport assets	84	1 498	1 582		10
Computer equipment	10 143	1 232	11 375		190
Furniture and office equipment	-	204	204		-
Other machinery and equipment	-	47	47		-
<b>TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>10 227</b>	<b>2 981</b>	<b>13 208</b>		<b>200</b>

**29.3 Movement for 2016/17**

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017					
	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>1 757 361</b>	<b>-</b>	<b>28 491</b>	<b>13 613</b>	<b>1 772 239</b>
Transport assets	1 497 335	-	5 987	791	1 502 531
Computer equipment	81 432	-	14 392	9 042	86 782
Furniture and office equipment	13 486	-	2 213	2 042	13 657
Other machinery and equipment	165 108	-	5 899	1 738	169 269
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>1 757 361</b>	<b>-</b>	<b>28 491</b>	<b>13 613</b>	<b>1 772 239</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**29.4 Minor assets**

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2018						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	323	-	22 680	-	23 003
Additions	-	-	-	1 686	-	1 686
Disposals	-	216	-	661	-	877
<b>TOTAL MINOR ASSETS</b>	-	107	-	23 705	-	23 812

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of R1 minor assets	-	-	-	298	-	298
Number of minor assets at cost	-	74	-	14 447	-	14 521
<b>TOTAL NUMBER OF MINOR ASSETS</b>	-	74	-	14 745	-	14 819

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2017						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	611	-	23 121	-	23 732
Additions	-	-	-	1 930	-	1 930
Disposals	-	288	-	2 371	-	2 659
<b>TOTAL MINOR ASSETS</b>	-	323	-	22 680	-	23 003

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost	-	166	-	14 696	-	14 862
<b>TOTAL NUMBER OF MINOR ASSETS</b>	-	166	-	14 696	-	14 862

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**29.5 Movable assets written off**

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2017						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	454	-	454
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	-	-	-	454	-	454

**29.6 S24 Movable Capital Assets**

MAJOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA - 31 MARCH 2018						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
No. of Assets	-	-	-	7	-	7
<b>Value of the assets (R'000)</b>	-	-	-	420	-	420

MINOR ASSETS SUBJECTED TO TRANSFER IN TERMS OF S42 OF THE PFMA - 31 MARCH 2017						
	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
No. of Assets	-	-	-	1	-	1
<b>Value of the assets (R'000)</b>	-	-	-	4	-	4

**30. INTANGIBLE CAPITAL ASSET**

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018					
	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	13 264	-	2 237	54	15 447
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	13 264	-	2 237	54	15 447

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**30.1 Additions**

ADDITIONS TO INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018					
	Cash	Non-Cash	(Development work in progress – current costs)	Received current year, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	14 174	53	(12 000)	10	2 237
<b>TOTAL ADDITIONS TO INTANGIBLE CAPITAL ASSETS</b>	<b>14 174</b>	<b>53</b>	<b>(12 000)</b>	<b>10</b>	<b>2 237</b>

**30.2 Disposals**

DISPOSALS OF INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018				
	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
SOFTWARE	-	54	54	-
<b>TOTAL DISPOSALS OF INTANGIBLE CAPITAL ASSETS</b>	<b>-</b>	<b>54</b>	<b>54</b>	<b>-</b>

**30.3 Movement for 2016/17**

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017					
	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	12 966	-	615	317	13 264
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>12 966</b>	<b>-</b>	<b>615</b>	<b>317</b>	<b>13 264</b>

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**31. IMMOVABLE TANGIBLE CAPITAL ASSETS**

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018					
	Opening balance	Value adjustments	Additions	Disposals	Closing Balance
	R'000		R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>30 530</b>	<b>-</b>	<b>383 929</b>	<b>23 569</b>	<b>390 890</b>
Dwellings	7	-	-	-	7
Other fixed structures	30 523	-	383 929	23 569	390 883
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>30 530</b>	<b>-</b>	<b>383 929</b>	<b>23 569</b>	<b>390 890</b>

**31.1 Additions**

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018					
	Cash	Non-cash	(Capital Work in Progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
<b>BUILDING AND OTHER FIXED STRUCTURES</b>	<b>383 929</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>383 929</b>
Other fixed structures	383 929	-	-	-	383 929
<b>TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>383 929</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>383 929</b>

**31.2 Disposals**

DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2018				
	Sold for cash	Non-cash disposal	Total disposals	Cash Received Actual
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>-</b>	<b>23 569</b>	<b>23 569</b>	<b>-</b>
Other fixed structures	-	23 569	23 569	-
<b>TOTAL DISPOSALS OF IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>-</b>	<b>23 569</b>	<b>23 569</b>	<b>-</b>



**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**31.3 Movement for 2016/17**

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2017					
	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>40 551</b>	<b>-</b>	<b>236 622</b>	<b>246 643</b>	<b>30 530</b>
Dwellings	7	-	-	-	7
Other fixed structures	40 544	-	236 622	246 643	30 523
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>40 551</b>	<b>-</b>	<b>236 622</b>	<b>246 643</b>	<b>30 530</b>

**31.4 Capital Work-in-progress**

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2018					
	Note	Opening balance 1 April 2017	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2018
	Annexure 7	R'000	R'000	R'000	R'000
Buildings and other fixed structures		704 829	181 841	494 223	392 447
Intangible assets		9 400	12 000	-	21 400
<b>TOTAL</b>		<b>714 229</b>	<b>193 841</b>	<b>494 223</b>	<b>413 847</b>

**Capital Work-in-progress**

CAPITAL WORK-IN-PROGRESS AS AT 31 MARCH 2017					
	Note	Opening balance	Current Year WIP	Ready for use (Assets to the AR) / Contracts terminated	Closing balance 31 March 2017
	Annexure 7	R'000	R'000	R'000	R'000
Buildings and other fixed structures		783 505	367 973	446 649	704 829
Intangible assets		-	9 400	-	9 400
<b>TOTAL</b>		<b>783 505</b>	<b>377 373</b>	<b>446 649</b>	<b>714 229</b>

**32. PRINCIPAL-AGENT ARRANGEMENTS**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS**  
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**32.1 Department acting as the principal**

	Fee paid	
	2017/18	2016/17
	R'000	R'000
South African Post Office (Postbank)	187	-
<b>TOTAL</b>	<b>187</b>	<b>-</b>

The Department appointed Postbank as the financial institution that disburses funds to EPWP participants for 3 years, in a form of wage allowance. In consideration for service to be rendered by Postbank the Department shall pay Postbank R30 per transition as commission which shall be reviewed and considered by both parties every 12 month depending on number of participants and inflation.

**33. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department
	R'000	R'000	R'000	R'000	R'000	R'000	%
Voted Funds							
Various Municipalities - Licences	-	-	123	123	123	-	
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>123</b>	<b>123</b>	<b>123</b>	<b>-</b>	

**ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**ANNEXURE 1A**

**STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS**

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2016/17
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
South African Weather Service	240 482	-	-	240 482	240 482	100%	204 985
iSimangaliso Wetland Park Authority	94 523	-	-	94 523	94 523	100%	132 274
South African National Parks	494 104	-	-	494 104	494 104	100%	637 724
South African National Biodiversity Institute	324 928	-	2 800	327 728	327 728	100%	319 331
National Regulator for Compulsory Specifications	7 131	-	4 182	11 313	11 313	100%	6 843
SABC: Radio and TV Licences	-	-	1	1	1	100%	9
Compensation fund	-	-	2 643	2 643	2 643	100%	8 794
<b>TOTAL</b>	<b>1 161 168</b>	<b>-</b>	<b>9 626</b>	<b>1 170 794</b>	<b>1 170 794</b>		<b>1 309 960</b>

**ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**ANNEXURE 1B**

**STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES**

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2016/17
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
<b>Public Corporations</b>									
Green Fund DBSA	77 656			77 656	77 656	100.0%	-	110 455	153 550
<b>Sub – Total</b>	<b>77 656</b>	<b>-</b>	<b>-</b>	<b>77 656</b>	<b>77 656</b>		<b>-</b>	<b>110 455</b>	<b>153 550</b>
<b>Private Enterprises</b>									
Recycle Enterprise Support Programme:									
Nomabote PTY Ltd t/a new GX Envi	5 000	-	-	5 000	2 500	50.0%	-	-	-
Eco Care Holdings PTY LTD	5 000	-	-	5 000	2 500	48.45	-	-	-
Landfill Consult	5 000	-	-	5 000	2 420		-	-	-
K1 Recycling	5 000	-	-	5 000	2 500		-	-	-
PPNG Trading	5 000	-	-	5 000	2 500		-	-	-
Waste Response	5 000	-	-	5 000	2 492	33.7%	-	-	-
Recycle Yourself	3 370	-	-	3 370	1 685	74.2%	-	-	-
Mandini Wealth	5 000	-	-	5 000	2 500	50.0%	-	-	-
Gugulami Glass Recycling	5 000	-	-	5 000	2 500	1.6%	-	-	-
Rethaka Trading	157	-	-	157	79	1242.0%	-	-	-
Phambili Services	3 900	-	-	3 900	1 950	29.5%	-	-	-
Climasol Waste and Environmental	2 300	-	-	2 300	1 150	-	-	-	-
Project applications not yet approved	8 288	-	-	-	-	-	-	-	-
<b>Sub -Total</b>	<b>58 015</b>	<b>-</b>	<b>-</b>	<b>49 727</b>	<b>24 776</b>	<b>49.8%</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>135 672</b>	<b>-</b>	<b>-</b>	<b>127 384</b>	<b>102 433</b>		<b>-</b>	<b>110 455</b>	<b>153 550</b>

**ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**ANNEXURE 1C**

**STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS**

FOREIGN GOVERNMENT/ INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE		2016/17
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Global Environmental Fund (GEF)	16 000	-	-	16 000	16 000	100%	16 000
<b>TOTAL</b>	<b>16 000</b>	<b>-</b>	<b>-</b>	<b>16 000</b>	<b>16 000</b>		<b>16 000</b>

**ANNEXURE 1D**

**STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION				EXPENDITURE		2016/17
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
National Association for Clean Air	1 548	-	-	1 548	1 548	100%	1 400
KwaZulu-Natal Conservation Board	1 287	-	-	1 287	1 287	100%	1 287
African World Heritage Fund	1 000	-	-	1 000	1 000	100%	1 800
Environmental Assessment Practitioner Association of South Africa	-	-	4 249	4 249	4 249	100%	-
<b>TOTAL</b>	<b>3 835</b>	<b>-</b>	<b>4 249</b>	<b>8 084</b>	<b>8 084</b>		<b>4 487</b>

**ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**ANNEXURE 1E**

**STATEMENT OF TRANSFERS TO HOUSEHOLDS**

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2016/17
	Adjusted Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
Social Benefit	-	-	11 777	11 777	11 777	100%	4 264
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>11 777</b>	<b>11 777</b>	<b>11 777</b>	<b>100%</b>	<b>4 264</b>

**ANNEXURE 1F**

**STATEMENT OF AID ASSISTANCE RECEIVED**

NAME OF DONOR	PURPOSE	OPENING BALANCE	REVENUE	EXPENDITURE	PAID BACK ON/ BY 31 MARCH	CLOSING BALANCE
		R'000	R'000	R'000	R'000	R'000
<b>Received in cash</b>						
Botswana	Transfrontier Conservation Areas (TFCA Strategy)	(376)	-	-	-	(376)
Germany	Promethium Carbon Programme	-	-	-	-	-
Germany	Climate Support Programme	(2 689)		1 233	792	(4 714)
Australia	Funding Agreement in Relation to South Africa Land Sector Measurement	686	-	29	681	(24)
United Nations (UNEP)	Hazardous Material Management Programme	(654)	-	-	-	(654)
United Nations (UNEP)	Strengthening Law Enforcement Capabilities to Combat Wildlife Crime for Conservation and Sustainable Use of Species in South Africa: target: Rhinoceros	(12 463)	-	10 899	-	(23 362)
United Nations (UNEP)	Benguela Current Large Marine Ecosystem Programme	(1 142)	-	-	-	(1 142)
United Nations (UNEP)	Payment for Watershed Services	23	-	-	-	23
United Nations (UNEP)	Synergies Workshop among the Basel, Stockholm and Rotterdam Conventions	(790)	-	-	-	(790)
United Nations (UNEP)	South Africa: Enabling Activities for the Preparation of Third National Communications (TNC) and Biennial Update Report (BUR)	(5 182)	-	7 715	-	(12 897)
United Nations (UNEP)	6th Session of the AEWA Meeting of Parties	4	-	-	-	4
Norway	Capacity Development within the South African National Greenhouse Gas Inventory Unit	(1 176)	1 200	668	-	(644)
<b>TOTAL</b>		<b>(23 759)</b>	<b>1 200</b>	<b>20 544</b>	<b>1 473</b>	<b>(44 576)</b>

**ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**ANNEXURE 1G**

**STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AS AN ACT OF GRACE**

NATURE OF GIFT, DONATION OR SPONSORSHIP	2017/18	2016/17
	R'000	R'000
Made in kind		
International Council for Game and Wildlife Conservation	-	72
2nd National Biodiversity and Business Network Idaba	-	100
Flufftail Festival 2017 - Birdlife South Africa	-	30
World Wetland Day School awareness Competition Prizes	-	25
Donation to the families of the NRM beneficiaries who passed away in a motor vehicle accident (MS Letsoalo)	-	10
Donation to the families of the NRM beneficiaries who passed away in a motor vehicle accident (MM Matloa)	-	10
Donation to the families of the NRM beneficiaries who passed away in a motor vehicle accident (ES Letsoalo)	-	10
Donation to the families of the NRM beneficiaries who passed away in a motor vehicle accident (TM Ramoshaba)	-	10
ENDANGERED WILDLIFE TRUST	57	-
INKANYEZI EVENT ORGANISERS	85	-
ENDANGERED WILDLIFE TRUST	100	-
(LaRSSA)	85	-
Birdlife SA Flufftail Reasearch	50	-
Birdlife SA Flufftail Festival 2018	40	-
Ms MJ Bopape	10	-
Pietermaritzburg old age home	22	-
Mamelodi Hospice	2	-
<b>TOTAL</b>	<b>451</b>	<b>267</b>

**ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**ANNEXURE 3A**

**STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2018 - LOCAL**

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2017	Guarantees draw downs during the year	Guarantees repayments cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2018	Guaranteed interest for year ended 31 March 2018	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles								
Standard Bank		-	41	-	17	-	24	-	-
Firststrand Bank: FNB		-	19	-	19	-	-	-	-
ABSA Bank		-	177	-		-	177	-	-
Old Mutual Fin. Ltd		-	-	-		-	-	-	-
Nedb/Perm		-	19	-	19	-	-	-	-
Green Start H/loans		-	35	-	-	-	35	-	-
<b>TOTAL</b>		-	<b>291</b>	-	<b>55</b>	-	<b>236</b>	-	-



**ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**ANNEXURE 3B**

**STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2018**

Nature of Liability	Opening Balance	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance
	1 April 2017				31 March 2018
	R'000	R'000	R'000	R'000	R'000
<b>Claims against the department</b>					
Bhekinstsha Business Enterprises	3 990	-	-	-	3 990
Bhekinstsha Business Enterprises	2 198	-	-	-	2 198
Amathole Forestry Co.	978	-	-	-	978
Naledi Office Automation	53	-	-	-	53
Bhyat Motors	119	-	79	-	40
Penviro CC	371	-	-	-	371
C Vermuelen	22	-	-	-	22
Motoradio Air Touch Cellular	95	-	-	-	95
H Kuhn	32	-	-	-	32
High Point Trading 1001CC	-	896	-	-	896
H&H Consultation CC	-	372	-	-	372
Garona Holdings (Pty) Ltd	-	5 895	-	-	5 895
Garona Holdings (Pty) Ltd	-	1 259	-	-	1 259
Nohlanhla Portia Lubisi	-	113	-	-	113
Qhawe Investment (PTY) LTD	-	769	-	-	769
Redefine Properties Limited	-	34 219	-	-	34 219
Blac Gure	-	2 079	-	-	2 079
N Khan		154			154
<b>TOTAL</b>	<b>7 858</b>	<b>45 756</b>	<b>79</b>	<b>-</b>	<b>53 535</b>

**ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**ANNEXURE 3B (CONTINUED)**

Nature of Liabilities recoverable	Opening Balance	Details of Liability and Recoverability	Movement during year	Closing Balance
	1 April 2017			31 March 2018
	R'000			R'000
Bhekinstsha Business Enterprises	3 990	Summons for loss of income due to alleged dishonest/negligent/irregular conduct in respect of the award of a Tender. New attorney of record appointed. Matter to be set down.	-	3 990
Bhekinstsha Business Enterprises	2 198	Claimant is claiming damages in respect of lost income due to alleged tender irregularities. The matter is dormant. State Attorney advised to close the file.	-	2 198
Amathole Forestry Co.	978	Claimant is claiming damages due to alleged negligent acts or omissions in relation to veldfire. Counsel briefed and filed an exception. State attorney has advised that Plaintiff's Attorneys can still not be traced and has suggested we close our file. The matter is thus deemed finalised as at the 30/3/2016.	-	978
Naledi Office Automation	53	A claim for outstanding rental on various Photostat machines.  We have provided them with a reconciliation statement. It appears that most of the machines were not rented to the Department. Liability reduced during the year.	-	53
Bhyat Motors***	119	Claim for outstanding rental. Plaintiff's Attorney acknowledged receipt of the settlement offer; however no response has been forthcoming regarding either acceptance or rejection of offer. Matter has been dormant with no new developments.	(79)	40
Penviro CC***	371	Claim for monies due in terms of a contract. Plaintiff intended to invoke mediation and arbitration clause of the agreement, no steps taken to further the matter against the Department. State attorney has advised their file is closed as at 31/3/2016.	-	371
C Vermuelen	22	Claim for damages resulting from motor collision. Combined summonses have been issued against Mr C Vermeulen (defendant) on 23 September 2014. DEA provided the discovery affidavit. Feedback from state attorney awaited.	-	22
Motoradio Air Touch Cellular	95	This is a summons matter from the plaintiff claiming damages for a motor-vehicle accident on 4 December 2014, with a vehicle allegedly driven by an official of the Department named. The amount being claimed as damages is R95 034.00.	-	95
H Kuhn	32	Claim for damages resulting from motor vehicle accident between H.Kuhn and Government official. A consultation with the official was held and her written statement furnished. A memo is being prepared for the payment of the claim.	-	32
High Point Trading 1001CC	-	Claim against the Department for the outstanding project management fee as well as the expenditure costs incurred in relation to Phase two of the KZN Nkandla Land Rehabilitation project ("project").	896	896
LS164639 H&H Consultation CC	-	Claim against the Department for the outstanding project management fee as well as the expenditure costs incurred in relation to Phase two of the NC-Joe Morolong Greening and Open Space Management Project ("project")	372	372
Garona Holdings (Pty) Ltd	-	Claim against the Department for the outstanding project management fee as well as the expenditure costs incurred in relation to Phase two (implementation) of the Baberton Nature Reserve Conservation Programme.	5 895	5 895

**ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

Nature of Liabilities recoverable	Opening Balance	Details of Liability and Recoverability	Movement during year	Closing Balance
	1 April 2017			31 March 2018
	R'000			R'000
Garona Holdings (Pty) Ltd	-	Claim is a result of the alleged repudiation of a contract by the Department, the loss of expended capital amount, loss incurred due to repudiation and further seek reimbursement of the Sterkfontein Project payment used to remedy Ngwathe Project.	1 259	1 259
Nohlanhla Portia Lubisi	-	Combined summons received for service rendered to the Department for clearing Alien Invasive Plants under the MPU Barberton Working for Water Project.	113	113
Qhawe Investment (PTY) LTD	-	The Plaintiff is claiming an amount as a balance of the project management fee for work done at the KwaZulu-Natal Alexandra Park Revitalization Project.	769	769
Redefine Properties Limited	-	Claim to the Lessee as a result of items damaged or defective on termination of lease agreement and loss of revenue due to delay to conduct the exit inspection as well as the time it took for the building to be marketable	34 219	34 219
Blac Gure	-	Claim against the Department for the outstanding project management fee in relation to phase two (implementation) of the Mhinnga Crocodile capture and Breeding Programme.	2 079	2 079
N Khan	-	Claim for damages resulting from motor vehicle accident between N.Khan and Government official. DG authorised settlement of the matter. Offer made to claimant which he accepted in full and final settlement, for a lower amount of R 98 375.75.	154	154
<b>TOTAL</b>	<b>7 858</b>		<b>45 677</b>	<b>53 535</b>

**ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**ANNEXURE 4**

**CLAIMS RECOVERABLE**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2017/18	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Department of Agriculture, Forestry and Fisheries					-	-	-	-
National Research Foundation	-	-	7 014	17 758	7 014	17 758	-	-
Department of Cooperative Gov. and Traditional Affairs			-	44	-	44	-	-
City of JHB	-	-	5 179	5 179	5 179	5 179	-	-
Department of International Relations and Cooperation	-	-	853	854	853	854	-	-
Department of Public Works	-	-	1	1	1	1	-	-
Department of Trade and Industry					-	-	-	-
Department of Higher Education and Training	36	-	-	-	36	-	-	-
<b>TOTAL</b>	<b>36</b>	<b>-</b>	<b>13 047</b>	<b>23 836</b>	<b>13 083</b>	<b>23 836</b>	<b>-</b>	<b>-</b>

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**ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**ANNEXURE 5**

**INTER-GOVERNMENT PAYABLES**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2017/18	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
<b>DEPARTMENTS</b>								
<b>Current</b>								
Department of Justice and Constitutional Development	3 978	2 510	-	-	3 978	2 510	-	-
Department: Government Printing Works	313	30	-	-	313	30	-	-
WC: Department of Transport and Public Works	53	55	-	-	53	55	-	-
NW Department: Social development	-	-	-	12	-	12	-	-
DIRCO	-	6 927	-	-	-	6 927	-	-
KZN: Department of Economic Development	166	-	-	-	166	-	-	-
Total Departments	4 510	9 522	-	12	4 510	9 534	-	-
<b>OTHER GOVERNMENT ENTITY</b>								
<b>Current</b>								
Agricultural Research Council (ARC)	-	29 643	-	-	-	29 643	-	-
<b>Subtotal</b>	-	<b>29 643</b>	-	-	-	<b>29 643</b>	-	-
<b>TOTAL INTERGOVERNMENTAL</b>	<b>4 510</b>	<b>39 165</b>	<b>-</b>	<b>12</b>	<b>4 510</b>	<b>39 177</b>	<b>-</b>	<b>-</b>

**ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

**ANNEXURE 6**

**INVENTORIES**

Inventories [Per major category]	Note	Quantity	2017/18	Quantity	2016/17
			R'000		R'000
Opening balance		85 034	16 620	52 748	14 531
Add/(Less): Adjustments to prior year balance		-	-	(60)	145
Add: Additions/Purchases - Cash		37 076	24 379	42 231	22 438
Add: Additions - Non-cash		29 492	15 795	40 623	3 439
(Less): Disposals		-	-	-	-
(Less): Issues		(42 511)	(21 070)	(50 527)	(23 851)
Add/(Less): Adjustments		1	(508)	19	(82)
<b>Closing balance</b>		<b>109 092</b>	<b>35 216</b>	<b>85 034</b>	<b>16 620</b>

**ANNEXURE 7**

**MOVEMENT IN CAPITAL WORK IN PROGRESS**

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2018					
	Opening balance	Prior period errors	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>704 829</b>	<b>-</b>	<b>181 841</b>	<b>(494 223)</b>	<b>392 447</b>
Other fixed structures	704 829	-	181 841	(494 223)	392 447
<b>SOFTWARE</b>	<b>9 400</b>		<b>12 000</b>	<b>-</b>	<b>21 400</b>
Software	9 400		12 000	-	21 400
<b>TOTAL</b>	<b>714 229</b>	<b>-</b>	<b>193 841</b>	<b>(494 223)</b>	<b>413 847</b>

**ANNEXURE TO THE ANNUAL FINANCIAL STATEMENTS**  
**for the year ended 31 March 2018**

Age analysis on ongoing projects	Number of projects		2017/18
	Planned, Construction not started	Planned, Construction started	Total R'000
0 to 1 Year	-	-	-
1 to 3 Years	1	2	76 400
3 to 5 Years	16	36	337 447
Longer than 5 Years	-	-	-
<b>TOTAL</b>	<b>17</b>	<b>38</b>	<b>413 847</b>

MOVEMENT IN CAPITAL WORK IN PROGRESS FOR THE YEAR ENDED 31 MARCH 2017					
	Opening balance	Prior period error	Current Year Capital WIP	Ready for use (Asset register) / Contract terminated	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	783 505		367 973	(446 649)	704 829
Other fixed structures	783 505	-	367 973	(446 649)	704 829
SOFTWARE	-	-	9 400	-	9 400
Software	-	-	9 400	-	9 400
<b>TOTAL</b>	<b>783 505</b>	<b>-</b>	<b>377 373</b>	<b>(446 649)</b>	<b>714 229</b>









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