

## **Ad hoc South African environmental governance budget observations**

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### **Context**

This account has been prepared in parallel with PSAM's highlighting of a range of issues which in its view merit consideration in the formulation of South Africa's 2018/19 Medium Term Budget Policy Statement (MTBPS). However, since environmental governance budgetary challenges tend to be perennial both within and across successive financial years, specific issues within the sector are not being flagged as requiring remediation in the MTBPS. By the same token though, now is as apposite a time as any to draw attention to selected aspects of the country's environmental governance budget framework.

### **Fisheries**

The illegal harvesting of marine living resources consistently attracts public attention, with emphasis correctly being focused on the scourge of abalone poaching. At the same time poaching has contributed significantly to the depletion of the West Coast Rock Lobster to a stock level which is less than 2% of what it was prior to the commencement of commercial exploitation of the species.<sup>1</sup> Indeed, in a recent judgment issued by the High Court in favor of an NGO which challenged the lobster catch quota set by the State on the basis that it would hasten the demise of the resource, the presiding judge noted that *"it is distressing.....to find that unlawful catching exceeds the lawful TAC"* (i.e. total allowable catch).<sup>2</sup>

In these circumstances cursory examination of the budgetary provision for the combating of marine poaching is instructive. Responsibility for the function resides with the Chief Directorate: Monitoring, Control and Surveillance of the Department of Agriculture, Forestry and Fisheries (DAFF). The Chief Directorate constitutes one of six sub-programmes which fall under DAFF's Fisheries Programme, which is in turn one of six Departmental Programmes.

<sup>1</sup> Founding affidavit dated 25 June 2018 in High Court of South Africa case no. 11478/18 (Western Cape division, Cape Town), Annexure "JAD 3", p. 3 -

[http://awsassets.worldwildlife.org/downloads/annexures\\_to\\_founding\\_affidavit\\_jad1\\_jad8\\_2\\_.pdf](http://awsassets.worldwildlife.org/downloads/annexures_to_founding_affidavit_jad1_jad8_2_.pdf)

<sup>2</sup> Judgment delivered on 26 September 2018 in High Court case no. 11487/18.

For the 2018/19 financial year the Department's budget is R7 165 million,<sup>3</sup> or 0,88% of the country's total national government budget.<sup>4</sup> Of the Departmental budget, just 6,8%, equating to R487,8 million, is allocated to the Fisheries Programme,<sup>5</sup> while its Monitoring, Control and Surveillance sub-programme attracts R89,2 million.<sup>6</sup> This amounts to 18,3% of the Fisheries budget, 1,24% of DAFF's budget, and a mere 0,011% of the total national government budget. It is emphasised that budgets alone do not determine the efficacy of governance, and that strategic acumen remains the centerpiece of effective regulatory action, but equally the weight attached to anti-poaching, as reflected in the budget assigned to it, by default renders it a marginal function. As such, it is small wonder that poaching features as prominently as it does in the systematic annihilation of what was once a prolific natural resource.

On the other hand much is made of aquaculture as a buffer against the global pressure on marine fisheries, and its development duly constitutes another DAFF Fisheries sub-programme. However, when viewed in conjunction with prevailing poaching scenarios its budget of R39,8 million,<sup>7</sup> which is just 8,2% of that of the Fisheries Programme (or 0,55% and 0,005% of the Departmental and national government budgets respectively) does not engender confidence that the State has a solid grip on rapidly unfolding seafood shortages.

### **Indigenous forest**

While on the matter of law enforcement, the Forestry Oversight and Regulation sub-programme of DAFF's Forestry Programme is responsible *inter alia* for enforcement of the prohibition on the destruction of indigenous forest, as provided for in the National Forests Act. Unlawful forest disturbance is however rampant, and again this reflects a marginal budgetary dispensation, with the sub-programme's 2018/19 budget, at R59,2 million,<sup>8</sup> comprising 0,83% of that of DAFF itself, and a paltry 0,007% of the total national government budget.

### **National Department of Environmental Affairs**

The trends outlined above are also manifest within the national Department of Environmental Affairs, with its Legal, Authorisations, Compliance and Enforcement Programme's 2018/19 budget of R189,3 million<sup>9</sup> constituting 2,7% of the total Departmental allocation of R7 112,5 million,<sup>10</sup> and 0,023% of that of the national government as a whole. At the same time it is notable that 54,4% of the Department's budget (which is itself of the same order as DAFF's at 0,87% of the total national government budget<sup>11</sup>) is directed to a programme which is dedicated to implementing

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<sup>3</sup> *Estimates of National Expenditure 2018*, National Treasury, Budget summary, p. 485.

<sup>4</sup> Derived from *Estimates of National Expenditure 2018*, National Treasury, Table 2, p. xix.

<sup>5</sup> *Ibid*, Budget summary, p. 485.

<sup>6</sup> *Ibid*, Table 24.14, p. 503.

<sup>7</sup> *Ibid*.

<sup>8</sup> *Ibid*, Table 24.13, p. 501.

<sup>9</sup> *Ibid*, Table 27.3, p. 556.

<sup>10</sup> *Ibid*.

<sup>11</sup> Derived from *Estimates of National Expenditure 2018*, National Treasury, Table 2, p. xix.

Expanded Public Works and green economy projects.<sup>12</sup> Whereas the programme doubtless has positive socio-economic spin-offs, concerns have to be expressed regarding the extent to which the budgetary attention afforded to this element of the Department's operations detracts from the its core business of fulfilling a host of legal responsibilities emanating from South Africa's raft of environmental statutes.

### **Provincial Environmental Affairs**

The bulk of the country's operational mandates in the environmental sector in fact fall to the Provinces, with a snapshot of the Eastern Cape budget situation completing the picture. The Chief Directorate: Environmental Affairs within the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) is responsible for the Province's environmental governance functions, and for the 2018/19 financial year has a budget of R319,777 million.<sup>13</sup> It is however crucial to note that 63,1% of this amount is hived directly to the Eastern Cape Parks and Tourism Agency for provincial nature reserve-related utilization.<sup>14</sup> Since these reserves only comprise some 2% of the Province's land surface area this means that the *de facto* budget for environmental governance across the geographical bulk of the Province is R112 972 million, which equates to only 0,150% of the total Provincial 2018/19 fiscal envelope.<sup>15</sup> Highlighting the scale of the environmental law enforcement challenge, 40,5% of the Chief Directorate's budget is assigned to its Compliance and Enforcement Programme,<sup>16</sup> yet this still only amounts to 4,0% of DEDEAT's total budget, and 0,058% of the budget of the provincial government as a whole.

### **Conclusion**

It is trusted that the figures briefly alluded to in this document provide useful perspective on environmental attrition in South Africa, and demonstrate that for all the rhetoric here and elsewhere in the world around sustaining the environment, environmental governance is a backwater function in the country.

Should readers wish to refer to comprehensive analyses of the 2012/13 – 2015/16 budgets of the Eastern Cape's Chief Directorate: Environmental Affairs these can be accessed on PSAM's website via <http://psam.org.za/monitoring-advocacy/>

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<sup>12</sup> Derived from *Estimates of National Expenditure 2018*, National Treasury, Table 27.14 and preceding text, p. 568,

<sup>13</sup> *Eastern Cape Estimates of Provincial Revenue and Expenditure 2018/19*, Eastern Cape Provincial Planning and Treasury, Table 6, p. 480.

<sup>14</sup> Derived from *Eastern Cape Estimates of Provincial Revenue and Expenditure 2018/19*, Eastern Cape Provincial Planning and Treasury, Table 21, p. 489.

<sup>15</sup> Derived from Summary of actual and budgeted payments by department, *Eastern Cape Estimates of Provincial Revenue and Expenditure 2018/19*, Eastern Cape Provincial Planning and Treasury, p. xvii.

<sup>16</sup> Derived from *Eastern Cape Estimates of Provincial Revenue and Expenditure 2018/19*, Eastern Cape Provincial Planning and Treasury, Table 20, p. 488.