



Further *ad hoc* South African environmental governance budget observations

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Context

This account has been prepared in advance of and with a view to contributing to a forthcoming roundtable event involving PSAM, UNICEF and other role-players.

An account generated in association with an equivalent event in 2018¹ noted that South African environmental governance budgetary challenges tend to be perennial across successive financial years. Brief overviews were provided of the budgets of the national Department of Environmental Affairs (DEA), the Environmental Affairs Chief Directorate of the Eastern Cape Department of Economic Development, Environmental Affairs and Tourism (DEDEAT), the Fisheries Programme of the national Department of Agriculture, Forestry and Fisheries (DAFF), and the Forestry Oversight and Regulation Sub-Programme of that Department's Forestry Programme.

In keeping with the notion that environmental budgetary challenges are perennial, essential features of the budgets of these structures have remained unchanged in the 2019/20 financial year. This account provides depth to a selection of these features.

It must be borne in mind that the bulk of the country's operational mandates in the environmental sector fall to the Provinces, as pointed out in 2018. The primary role of the national Department of Environmental Affairs is the formulation of policy on environmental matters,² although this will in future be less the case given its adoption of

¹ <http://psam.org.za/wp-content/uploads/2018/10/Env-governance-budget-observations.pre-2018-MTBPS.pdf>

² Proceedings of Induction Workshop, Portfolio Committee on Environment, Forestry and Fisheries, National Assembly, 20 August 2019 - https://pmg.org.za/committee-meeting/28705/?utm_campaign=minute-alert&utm_source=transactional&utm_medium=email

the Forestry and Fisheries functions in May 2019, following which it is now known as the Department of Environmental Affairs, Forestry and Fisheries (DEFF). These functions, which were relocated from DAFF, both have significant operational arms.

National Department of Environmental Affairs, Forestry and Fisheries

The alignment of the former DAFF Forestry and Fisheries Programmes with DEA occurred within the 2019/20 financial year, and their budget allocations therefore do not reflect in DEFF's budget. Accordingly observations below regarding Programmes which resided in DEFF prior to the merger are made from the perspective of its total pre-merger budget. This aside, the 2018/19 budgets of the Fisheries Programme and Forestry Oversight and Regulation Sub-Programme received attention in the 2018 account, and do not receive further mention here on account of their being relatively unchanged in the current financial year.

Although the primary role of DEA has historically pertained to policy formulation, the Department does nevertheless have significant regulatory responsibilities. Examples of these include the regulation of hazardous waste management, of waste discharges into coastal waters, and of activities which would ordinarily be regulated by Provinces, but are not, due to meeting specified legal criteria (cases in point would be the construction of nuclear facilities, or the establishment of infrastructure such as power- or pipelines which traverse provincial boundaries).

Within this context the 2018 account singled out the 2018/19 budget of DEA's Legal, Authorisations, Compliance and Enforcement Programme to illustrate its relatively paltry nature, comprising as it did just 2,7% of DEA's total allocation, and 0,023% of the budget of the national government budget as a whole.

At the same time, with the Department's total budget having amounted to only 0,87% of the total national government budget, consternation was expressed about the fact that 54,4% of it was directed to a programme which is dedicated to implementing Expanded Public Works and green economy projects. It was noted that whilst the programme doubtless has positive socio-economic spin-offs, the allocation to it of funding on this scale had to detract from the Department's core business, which derives from the country's extensive raft of environmental statutes, the implementation of which is not negotiable.

Table 1 overleaf affirms the perennial nature of South African environmental governance budgeting, with the allocations to the Expanded Public Works/green economy and Legal, Authorisations, Compliance and Enforcement Programmes respectively both varying by only 0,1% relative to their 2018/19 allotments.

The table also provides a breakdown of the budgets of all the Department's Programmes (again, excluding Forestry and Fisheries), together with an indication of their respective purposes, and expresses these budgets as percentages of the total Departmental budget and the total budget for the national tier of government.

From the Table it can be deduced, *inter alia*, that with the budgets of the Expanded Public Works/green projects and Administration Programmes together comprising 66,1%

of the Department's total budget, effectively just one-third of it is dedicated to functions associated with it fulfilling its legal mandates.

Table 1: 2019/20 DEA allocations by Programme

Programme	Programme purpose³	Allocation⁴ (R'000)	% of DEA budget	% of national fiscal envelope
Administration	Provide strategic leadership, management and support services to the Department	891,872	11,84	0,101
Legal, Authorisations, Compliance and Enforcement	Promote the environmental legal regime and licensing system to ensure enforcement and compliance with environmental law	207,527	2,76	0,024
Oceans and Coasts	Promote, manage and provide strategic leadership on oceans and coastal conservation	507,228	6,74	0,057
Climate Change, Air Quality and Sustainable Development	Improve air and atmospheric quality; lead, support, inform, monitor and report on international, national and significant provincial and local responses to climate change, and promote sustainable development	445,939	5,92	0,051
Biodiversity and Conservation	Ensure the regulation and management of biodiversity, heritage and conservation matters in a manner that facilitates sustainable economic growth and development	797,320	10,59	0,090
Environmental Programmes	Implement the expanded public works programme and green economy projects in the environmental sector	4 085 469	54,26	0,463
Chemicals and Waste Management	Formulate policies and administer legislation regarding the use of chemicals and waste management to improve regulation, monitoring, compliance and enforcement	594,316	7,89	0,067
Total		7 529 671	-	0,853

³ *Estimates of National Expenditure 2019, Vote 27*, National Treasury, pp. 11, 12, 15, 17, 19, 22 and 24.

⁴ *Ibid*, Tables 27.9, 27.11, 27.13, 27.15, 27.17, 27.19 and 27.21.

Eastern Cape Environmental Affairs

In the 2018 account it was noted that the Chief Directorate: Environmental Affairs of the Eastern Cape Department of Economic Development, Environmental Affairs and Tourism (DEDEAT), which is responsible for the Province's environmental governance functions, received a budget of R319,777 million for the 2018/19 financial year.

It was however also emphasized that 63,1% of this amount was hived directly to the Eastern Cape Parks and Tourism Agency for provincial nature reserve-related utilization, and that since these reserves only comprise some 2% of the Province's land surface area, the *de facto* budget for environmental governance across the geographical bulk of the Province was R112,972 million.

This residual amount equated to only 0,150% of the total Provincial 2018/19 fiscal envelope, and indeed also to only 9,9% of the budget of DEDEAT itself. As with DEFF, this residual allocation needs to be utilized for the fulfillment of a host of non-optional legal responsibilities. These responsibilities align with the Chief Directorate's Sub-Programmes, which are listed in Table 2 below, together with their budgets and the percentages these comprise of both DEDEAT's total budget, and the total provincial fiscal envelope.

Aside from confirming the persistence, over successive financial years, of the essential character of the budget for environmental governance outside of protected areas, the Table reveals that Sub-Programme budgets not only represent miniscule proportions of the total provincial fiscal envelope, but are also negligible components of the budget of DEDEAT itself. In this respect, it is notable that the Department's Economic Development Programme consumes 51,6% of the Department's 2019/20 budget, while its Administration Programme utilizes 27,9% of it.

Table 2: 2019/20 DEDEAT Sub-Programme allocations for functions outside of provincial nature reserves

Sub-Programme	Sub-Programme purpose⁵	Allocation⁶ (R'000)	% of DEDEAT budget	% of provincial fiscal envelope
Environmental Policy, Planning and Coordination	Ensure the integration of environment objectives in national, provincial and local government planning, including provincial growth and development strategies, and local economic developments plans and integrated plans	30 832	2,08	0,037

⁵ *Eastern Cape Estimates of Provincial Revenue and Expenditure 2019/20*, Eastern Cape Provincial Planning and Treasury, p. 557.

⁶ *Ibid*, Table 20, p. 557.

Sub-Programme	Sub-Programme purpose	Allocation (R'000)	% of DEDEAT budget	% of provincial fiscal envelope
Compliance and enforcement	Ensure that environmental compliance monitoring systems are established and implemented and ensure the enforcement of legislation and environment authorisations	51 442	3,47	0,062
Environmental quality management	Establish legislation, policies, norms, standards and guidelines for environmental impact management, air quality management and management of waste and pollution at provincial and local sphere of government	23 021	1,55	0,028
Biodiversity Management	Promote equitable and sustainable use of ecosystem goods and services to contribute to economic development, by managing biodiversity, and its components, processes, habitats and functions. Effectively mitigate threats to biodiversity	8 766	0,59	0,011
Environmental Empowerment Services	Empower and capacitate external stakeholders of the department to meaningfully participate in and contribute to effective environmental management	13 549	0,91	0,016
Total		118 824	8,02	0,144

Conclusions

The budget details presented in this account indicate that at both national and provincial level, allocations for environmental governance functions associated with fulfilling obligatory legal responsibilities are marginal in relation to the total budgets of the Departments involved, and are insignificant in relation to total national and provincial fiscal envelopes respectively.

As noted in PSAM's 2018 account, the details provide useful perspective on environmental attrition in South Africa, and demonstrate that notwithstanding State rhetoric around sustaining the environment, environmental governance is a backwater function.

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