South African National Parks

Annual Report 2020 - 2021

South African NATIONAL PARKS

Annual Report 2020/21

As South Africans, we are united in the fight against the COVID-19 Pandemic

social distance

wear a mask

wash your hands





As a leading conservation authority, SANParks is a public entity under the jurisdiction of the Department of Forestry, Fisheries and the Environment (DFFE), where inclusive conservation as opposed to previous policies of exclusion are central to advancing the policies in line with the National Development Framework for Sustainable Development and the National Development Plan. SANParks manages a system of 20 functional national parks in seven of the nine provinces of South Africa with a total land area of just over 4.2 million ha comprising 68% of the protected areas under state management, as well as 375 233 ha of marine protected areas.

The SANParks of today is recognised as a world leader in conservation and protected area management. In the last two decades, seven new national parks have been established, totalling over 700,000 ha, with much of this being in the under-conserved biomes such as the Succulent Karoo and Fynbos. The National Environmental Management Protected Areas Act mandates SANParks to create destinations for nature-based tourism in a manner that is not harmful to the environment.

SANParks generates a substantial percentage of its operating budget from its ecotourism business, therefore, fulfilment of its conservation mandate is heavily reliant on thriving and sustainable tourism operations.









LEGAL AND CONSTITUTIONAL MANDATE

SANParks was initially established in terms of the now repealed National Parks Act, 57 of 1976 and continues to exist in terms of the National Environmental Management: Protected Areas Act, 57 of 2003, with the mandate to conserve, protect, control and manage national parks and other defined protected areas and their biological diversity (biodiversity). As a public entity, SANParks is also governed by the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999) and is listed as a Schedule 3 Part A: 25 public entity.

MISSION

Develop, protect, expand, manage and promote a system of sustainable national parks that represents natural and cultural heritage assets, through innovation, excellence, responsible tourism and just socio-economic benefit for current and future generations

VISION

A world class system of sustainable national parks reconnecting and inspiring society

MANDATE

SANParks delivers a diverse and complex public good mandate* that includes management of biodiversity and cultural heritage, the sustainable use of biological resources, socio-economic development, protection of ecological infrastructure, access to nature, science, educational and cultural experiences and reconnecting and inspiring people.

**Public goods are commodities or services provided without profit to society, available to all and for the benefit or well-being of the public.*

1. PUBLIC ENTITY'S GENERAL INFORMATION

REGISTERED NAME:	SOUTH AFRICAN NATIONAL PARKS
REGISTRATION NUMBER (if applicable):	Not applicable
PHYSICAL ADDRESS:	643 Leyds Street Muckleneuk Pretoria South Africa 0002
POSTAL ADDRESS:	PO Box 787 Pretoria 0001
TELEPHONE NUMBER/S:	+27 (0)12 426 5000
FAX NUMBER:	+27 (0)12 343 0905
EMAIL ADDRESS:	reservations@sanparks.org
WEBSITE ADDRESS:	www.sanparks.org
EXTERNAL AUDITORS:	Auditor-General of South Africa (AGSA) 300 Middel Street New Muckleneuk Pretoria 0002
BANKERS:	First National Bank 1 First Place 7th Floor Bank City Johannesburg 2000
COMPANY/ BOARD SECRETARY	Ms. Maximilian Mathabathe

2. LIST OF ABBREVIATIONS/ACRONYMS

BEE	Black Economic Empowerment
bTB	Bovine tuberculosis
CBD	Convention on Biological Diversity
CCMA	Commission for Conciliation, Mediation and Arbitration
CE	Chief Executive
CEO	Chief Executive Officer
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CPA	Communal Property Association
CSI	Customer Satisfaction Index
DARRLD	Department of Agriculture, Land Reform and Rural Development
DEFF	Department of Forestry, Fisheries and the Environment (DFFE)
DENC	Department of Nature Conservation
DoBE	Department of Basic Education
EFP	Eco-furniture Programme
EM	Environmental Monitor
EME	Exempted Micro Enterprise
EPIP	Environmental Protection and Infrastructure Programme
EPWP	Expanded Public Works Programme
FAO	Food and Agriculture Organisation
FTE	Full-time Equivalent
GEF	Global Environmental Facility
GGHNP	Golden Gate Highlands National Park
GKSPD	Greater Kruger Strategic Development Programme
GLTFCA	Great Limpopo Transfrontier Conservation Area

LIST OF ABBREVIATIONS/ACRONYMS *(CONT)*

ha	Hectare
HCM	Human Capital Management
HOSPERSA	Health and Other Services Personnel Trade Union of South Africa
ICT	Information and Communication Technology
IT	Information Technology
IUCMA	Inkomati-Usuthu Catchment Management Agency
IUCN	International Union for Conservation of Nature
K2C	Kruger to Canyons
KNP	Kruger National Park
METT	Management Effectiveness Tracking Tool
MPA	Marine Protected Area
MoU	Memorandum of Understanding
MTPA	Mpumalanga Tourism and Parks Agency
NATJOINTS	National Joint Operational and Intelligence Structure
NDM	Namaqua District Municipality
NDP	National Development Plan
NDT	National Department of Tourism
NEHAWU	National Education, Health and Allied Worker's Union
NEMBA	National Environmental Management: Biodiversity Act
NEM: PAA	National Environmental Management: Protected Areas Act
NGO	Non-governmental Organisation
NRMP	Natural Resource Management Programme
NUPSAW	National Union of Public Services & Allied Workers
NYDA	National Youth Development Agency
OHS	Occupational Health and Safety
PFMA	Public Finance Management Act
PPPFA	Preferential Procurement Policy Framework Act
PSHB	Polyphagus Shot-Hole Borer Beetle
QSE	Qualifying Small Enterprise
RQO	Resource Quality Objective
SA	South Africa
SAHRA	South African Heritage Resources Agency
SANBI	South African National Biodiversity Institute
SANCCOB	Southern African Foundation for Conservation of Coastal Birds
SANDF	South African National Defence Force
SANParks	South African National Parks
SCM	Supply Chain Management
SDG	Sustainable Development Goal
SET	Socio-Economic Transformation
SHR	SANParks Honorary Ranger
SMME	Small, Medium or Micro Enterprise
SO	Strategic Objective
SoAIM	State of Area Integrity Assessment
TB	Tuberculosis
TMNP	Table Mountain National Park
ToPS	Threatened or Protected Species
TUT	Tshwane University of Technology
TVET	Technical and Vocational Education and Training
UCT	University of Cape Town
UNESCO	United Nations Educational, Scientific and Cultural Organization
VWS	Veterinary Wildlife Services
WftC	Working for the Coast
WoF	Working on Fire

CONTENTS

PART: A General INFORMATION

3. Minister's Foreword

The SANParks annual report for the 2020/21 financial year is being published during one of the most challenging times in our history.

As the COVID-19 pandemic took hold worldwide in 2020, the global and South African economies were severely affected. For SANParks this was especially felt through the marked decline in tourism revenue which forms the bulk of its operational income.

The entity responsible for the conservation of unique and threatened biomes generates 80% of its operating budget from its ecotourism business. Meeting its conservation mandate relies heavily on thriving and sustainable tourism operations, something which was not possible during the global, and national Alert level-related lockdowns to curb the spread of COVID-19.

As part of government's overall recovery efforts, and to assist in the survival and ultimate recovery of a public entity that relies on tourists and visitors for a substantial part of its income, the Department had, through a review and reprioritisation of its 2020/21 budget allocated R1 235 million to SANParks. The entity had also tapped into the extraordinary commitment and resilience of its most valuable asset, its people, to deliver on the mandate under such difficult circumstances.

In this reporting period, there was a 66.4% year-on-year decline in tourism. Total revenue dropped by 21%. Revenue from exchange transactions for the current year is 61% less than the previous year due to the closure of parks, while revenue from non-exchange transactions amounts is 104% more than the previous year, due to the COVID-19 relief fund received.

Besides threats to its financial stability, the Kruger National Park, for instance was affected by severe flooding, while coastal parks were affected by the closure of beaches to the public in order to curb the spread of the virus. Although the spectacle of the flooding Augrabies Falls had a positive impact on the northern park, the Agulhas Lighthouse Museum remains closed.

> "IT IS IN TIMES LIKE THESE THAT SANPARKS MANAGEMENT AND STAFF NEED TO REMAIN RESOLUTE IN ADDRESSING THE ISSUES THEY ARE FACED WITH.

Among the positive advances in the past year have included the expansion of the conservation estate by almost 6 500 ha of land.

The Presidential Employment Stimulus Fund and the employment of additional SMMEs allowed more follow-up work to be done to restore degraded wetlands. Work by the Working for Wetlands, Working for Ecosysystems and Working for Water Programmes resumed in mid-September 2020 when many staff members were allowed to return to work. The R193 million received from the PES Fund allowed SANParks to increase the number of people and small contractors as part of a catch-up plan to achieve the planned targets for the year in these areas. This resulted in the employment of 11 721 participants, including 6 927 youth, 5 844 women and 271 people with disabilities, and created 4 740 full-time equivalent jobs. The programme also supported 690 small, micro and medium enterprises (SMMEs).

Despite the challenges of the past year, SANParks partnered with the private sector and NGOs, including Honorary Rangers, Total South Africa, the United Nations Development Programme (UNDP), Siya Kolisi Foundation, Wilderness Foundation and the Oak Foundation to contribute to the critical COVID-19 awareness and relief efforts in support of communities living adjacent to national parks. SANParks' COVID-19 relief programme provided food parcels, hygiene products, personal protective equipment, water tanks and awareness materials to more than 8 500 households in some of the country's most vulnerable communities.

The Biodiversity Economy Programme which strives to promote access to, and sustainable utilisation of, natural resources (wildlife, marine and plants) gained traction in the reporting period with a total of 527 animals delivered to 11 emerging game farmers and/or communities. In addition, five communities – the Mahumani, Makuya and Awelani (near Kruger National Park), Riemvasmaak (near Augrabies Falls National Park) and Baphalane (near Marakele National Park) – benefitted from DFFE-funded wildlife economy infrastructure development projects to the value of R65 million.

As part of an international treaty signed between the South African and the Mozambican governments, a number of preselected species of game was translocated to the Zinave National Park.

Wildlife crimes, however, continue to be a lingering challenge despite the decrease in rhino poaching during the 2020/21 financial year. This is not only because of limited travel during the various stages of national lockdown, but also because of the unending commitment of rangers who remained at their posts. In addition to their daily tasks, including the management of alien invasive animals and plants, game capture, visitor safety, firefighting, boating work, and gate security, rangers have in recent years become specialist anti-poaching experts in a number of fields. Rangers need to be commended for continuing to render an essential service across all parks ensuring compliance, enforcement and environmental integrity.

It is because SANParks has the ability to respond to issues that impact on the lives and livelihoods of communities on its borders in an agile and rapid manner that has been able to show numerous successes in an otherwise difficult time.

I am of a view that the SANParks 2020/2021 Annual Report fairly reflects the amended annual performance plan and the financial affairs of the public entity.

Ms. Barbara Creecy

Minister of the Department of Forestry, Fisheries and the Environment

31 August 2021

4. FOREWORD BY THE *Chairperson*

It is with great pleasure that I present the South African National Parks (SANParks) Annual Report for the 2020/2021 fiscal year.

The report examines the organisation's performance against pre-determined objectives as outlined in the Annual Performance Plan (APP) for the year under review. It reflects successes, challenges and future opportunities to be considered in ensuring that South Africa's natural and cultural heritage resources under SANParks' care are well conserved for the current and future generations.

At the same time, the pandemic has put a spotlight on our conservation estate as people are going away from urban areas to connect with nature.

South African National Parks, like many entities in the tourism sector, has not been spared from these challenges. In the past financial year, the organisation has been hard-pressed due to the impact of the COVID-19 pandemic on basic operations during the hard lockdown and the general impact of travel restrictions on visitor numbers which have resulted in significantly reduced tourism revenue.

As a result of the global economic decline and the negative effects brought by COVID-19, the Board together with the Executive Management had to amend the organisation's annual performance plan, the 5 year strategy and budgets and put in place recovery measures in response to these challenging times.

The outbreak of the COVID-19 pandemic in the first quarter of the financial year under review put our tourism performance in a tailspin translating to a performance of 66.4% below target compared to the previous year (2019/20) with the number of visitors to national parks decreased by 68.4% year on year from 6 326 435 to 1 996 667 for Q1-4 of 2020/1.

Prior to the outbreak, we had seen some positives as a result of the earlier than anticipated resumption of tourism business and several initiatives to stimulate demand from the domestic market, e.g. promotions and awareness campaigns.

Annually the organisation aims to expand the conservation estate through inclusion of underrepresented biomes into the

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THE REPORT COINCIDES WITH AN EXTREMELY CHALLENGING TIME BOTH NATIONALLY AND GLOBALLY, WITH THE DOUBLE IMPACT OF A RELENTLESS PANDEMIC, ASSOCIATED LOCKDOWNS AND AN ECONOMIC SLOWDOWN THAT HAS SEVERELY AFFECTED TOURISM IN MOST COUNTRIES.

conservation land. In the 2020/21 financial year 6 424 hectares of land were added into the National Park system. This represents an overachievement of 38% per cent against a target of 4 000 hectares.

The Board authorised the Wildlife Economy Programme (WEP) Window 2 for execution over a three-year period, as suggested by the Wildlife Economy Steering Committee. In Window 2, 31 different animals were successfully distributed to 31 different beneficiaries, totalling 3 022 individual head of game. Beneficiaries hail from the Northern Cape, Eastern Cape, North West, Limpopo and Free State provinces.

Programme Window 2 continued in quarter 4. A total of 110 loan animals were delivered to 3 beneficiaries, while 38 animals were donated to a community.

SANParks' strategic objectives are well documented in the Five Year Strategic Plan. The Board continues to work closely with the senior management team to best address some of the shortfalls including amongst others irregular expenditure that remains a challenge for the organisation, even though it is, thankfully, declining. The Board is enforcing proper accountability coupled with consequence management for inadequate planning that results in irregular expenditure. I must commend the entire organisation for reducing irregular expenditure for the 2020/2021 financial year.

SANParks' work is cut out for the coming year. The focus will be on implementing the Recovery Plan for tourism so as to ensure maximum performance of the tourism plant in the national parks system. It will be critical for us to focus on protecting and rejuvenating the supply side of the market, particularly the domestic market in the absence of an immediate return of the international tourism market.

In this period we will have to find ways of working together with the private sector to ensure business continuity, aligning the value chain, as well as investment facilitation and market access.

We pride ourselves in maintaining the highest standards of governance and compliance. Our Board remains committed to providing oversight, whilst supporting management in delivering on the organisational mandate. This is a useful indicator of organisational effectiveness.

I would like to express my sincere appreciation to the oversight role amongst others of the Board Committees in fostering accountability. The contribution of all of our stakeholders through various engagements at various platforms in the planning and execution of our mandate is greatly appreciated.

My gratitude further goes to the commitment and dedication of the entire staff of SANParks in various levels towards planning and executing plans. This too is greatly appreciated. We are looking forward to reaping the rewards of the measures implemented through the updated plans and renewed focus.

The SANParks 2020/2021 Annual Report, in my opinion, accurately depicts the public entity's annual performance and financial affairs.

J. Yawitch

Ms. Joanne Yawitch
Chairperson of the Board
31 August 2021

5. Chief Executive Officer's OVERVIEW

The South African National Parks is pleased to present its Annual Report for the 2020/21 financial year. The Annual Report gives us an opportunity to account to South Africans on how well we have implemented the mandate and responsibility delegated to us by the Minister.

The 2020/21 financial year has been a difficult year for the organisation due to the effects of the pandemic on the operations of SANParks. The financial year began when the country was under Level 5 lockdown, which resulted in the closure of all our National Parks, effectively shutting down most of the SANParks tourism operations. This presented a serious challenge for the organisation because SANParks derives approximately 80% of its revenue from Tourism Operations. Usually, the months on which the Easter weekend, school holidays and the festive season fall are usually important periods for revenue generation. Around 8 June 2020, government relaxed some of the travel restrictions imposed under Level 5, allowing our national parks to reopen albeit under strict conditions. International borders, however, remain closed limiting the number of international visitors allowed into the country. Even with the lifting of the restrictions, it became clear that the organisation would face severe financial constraints during the year. We had to revise all our revenue projections, implement a number of cost-cutting measures and request financial assistance from government to continue our operations. We are grateful to the Honourable Minister of Forestry, Fisheries and the Environment for the assistance of R1 235 million. This ensured that the organisation continued to operate as a going concern and, more importantly, we were able to meet many of our revised targets and also preserve jobs.

Despite the difficult operating environment, SANParks was able to register a total revenue of R2.482 billion which is R686 million less than the R3.168 billion achieved in the previous financial year. Our expenditure for the year under review is R2.577 billion which is R341 million less that the expenditure registered last year. This effectively means that for the 2020/21 financial year SANParks registered a net deficit of R94.8 million. These numbers demonstrate that the organisation remains resilient even during these difficult operating conditions. But they also show that the organisation would have been in a worse off financial position without government support. The implementation of the cost-cutting measures and alternative sources of funding helped to reduce the impact of the pandemic on our operations. With the onset of the 3rd wave as well as expected future waves of the Covid-19 pandemic, we expect the significant decline in international visitors to our parks to continue. We, therefore, anticipate further challenges going into the 2021 MTEF period.

In the supply chain environment, SANParks has in the past experienced a number of challenges which resulted in non-compliance with some sections of the Public Finance Management Act, No.1 of 1999 especially in relation to prevention of irregular expenditure. Management, under the guidance of the Board, has implemented a number of measures to eliminate irregular expenditure. A Loss Control Officer was appointed last year and is supported by a Loss Control Committee in order to reduce losses due to irregular expenditure as well as to fruitless and wasteful expenditure. Disciplinary measures are being taken against employees responsible for incurring irregular expenditure and fruitless and wasteful expenditure. Going forward, the CFO has been tasked to report to EXCO and the Audit and Risk Committee on measures implemented to reduce irregular expenditure on a regular basis. It is, however, important to note that the organisation has not incurred any losses as a result of this irregular expenditure and, therefore, no fraud or corruption was detected during the determination tests.

We will continue to monitor this area very closely to ensure total elimination of irregular expenditure at SANParks.

SANParks' primary mandate is defined in the National Environmental Management: Protected Areas Act of 2003. The mandate is to protect, conserve and control a system of National Parks and other protected areas including their biodiversity and cultural heritage. The Act also empowers SANParks with a responsibility of managing World Heritage Sites assigned to us by the Minister in accordance with the cultural heritage legislation. SANParks manages over 4 million ha of terrestrial land and just over 369 000 ha of marine protected areas. While our tourism operations were affected severely during the lockdown, our conservation services operations continued to function as part of essential services. SANParks has a strategic priority of ensuring that diverse ecosystems and underrepresented ecosystems are added to the conservation estate. I am pleased to report that in the financial year under review, SANParks added 6 424 ha of land to the national park system through collaboration with our strategic partners: WWF South Africa, Leslie Hill Trust and the National Parks Trust.

I am pleased to report that SANParks, with the help of a team of renowned experts, concluded cultural heritage assessments in three National Parks (Kruger National Park, the Garden Route and Table Mountain National Parks). The assessments revealed a number of challenges with cultural heritage management such as site conservation, site interpretation and presentation, monitoring and reporting which can be adequately implemented by building capacity and ensuring improved management of heritage resources. Sharing this heritage with the people of South Africa and the world through tourism to, for example, rock art sites located in our national parks will contribute to a deeper appreciation of our cultural history and its conservation. SANParks management is working on developing an implementation plan to address the identified challenges. In addition, a number of options are being explored with our partners such as the French Development Agency to assist in funding projects to improve our capacity to manage cultural heritage.

The organisation continues to face the challenge of wildlife crime in national parks and in some marine protected areas across the country. Over the last 10 years we have seen an increasing onslaught on some of our iconic species especially rhino and abalone. We are also seeing a growing challenge of poaching of succulent plants. While the rhino poaching seemed to decrease during the time of hard lockdown last year, it increased again as movement restrictions were relaxed in the second half of the financial year. I am, however, pleased to report that there was an 18% reduction in rhino poaching year on year. Unfortunately, despite this significant milestone, we did not achieve our target of halting the decline in rhino populations in Kruger National Park. The effects of poaching coupled with low birth rates and drought have contributed to declining rhino populations in Kruger. We are, however, encouraged by the 7.3% increase in annual growth rates of rhino populations in other Parks. Management is exploring various options including establishing rhino safe havens in various parts of the country to address the challenges experienced in Kruger. These proposals are still at their infancy and their viability is still being assessed. We are pleased to report a 44% year on year decline in elephant poaching.

Our national parks provide opportunities for South Africans and people around the world to experience our country's beautiful natural and cultural heritages through responsible nature-based tourism. As stated above, we experienced a number of challenges mainly related to travel restrictions intended to curb the spread of COVID-19. As a result of the above-mentioned restrictions, SANParks recorded 1.9 million visitors to our national parks, representing a 68.4% decline from the previous financial year. While there was hope of revival of tourism performance with relaxation of travel restrictions during the second and third quarter of the year, further restrictions during December of 2020 and January 2021 were a major blow to our recovery prospects. In addition, international travel restrictions to South Africa imposed by some of our key markets such as United Kingdom, Germany and the United States presented further challenges to us. The combined effect of all these variables is a subdued tourism performance going well into the 2021/22 financial year. We

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OUR NATIONAL PARKS PROVIDE OPPORTUNITIES FOR SOUTH AFRICANS AND PEOPLE AROUND THE WORLD TO EXPERIENCE OUR COUNTRY'S BEAUTIFUL NATURAL AND CULTURAL HERITAGE THROUGH RESPONSIBLE NATURE BASED TOURISM.

anticipate recovery of our tourism only in the 2023 financial year driven mainly by the full rollout of the vaccination programmes in South Africa and in some of our key international markets. In the meantime, SANParks will step up its marketing campaigns to promote national parks to domestic tourists.

The majority of our National Parks are located in rural and remote areas far from the major economic centres. Our national parks are a beacon of hope to many of these communities that are inflicted with poverty, inequality and unemployment. In recognition of these triple challenges, SANParks implements a number of programmes to contribute to socio-economic development in these areas. These programmes include Expanded Public Works Programmes (EPWP) to create job opportunities, the wildlife economy programme, development of small and medium enterprises through preferential procurement, implementation of beneficiation schemes for land claimant communities and other social legacy projects. In the year under review, SANParks created 7 435 jobs for youth, 6 124 jobs for women and 351 jobs for people with disabilities through our Expanded Public Works Programmes. Approximately 690 SMMEs were appointed through the EPWP programmes.

SANParks also implemented a Beneficiation Scheme for Land Claimant communities around our National Parks. The aim is to create economic opportunities for land claimant communities through revenue sharing, equity partnerships and preferential procurement in national parks. Our target for the 2020/21 financial year was to finalise the Beneficiation Scheme for the Qwaqwa Land Claimants and I am pleased to report that this Beneficiation Scheme was indeed agreed to and signed by all parties. The next milestone is to implement all activities in the agreement to ensure that the Qwaqwa Land Claimants derive real value from the national parks system. Going forward our immediate priority is to finalise the Kruger National Park Beneficiation Scheme which has experienced a number of challenges. We have initiated processes to engage with claimant communities to iron out areas of disagreement and ensure that the claimant communities also benefit from their association with the Kruger National Park.

In closing, I wish to thank the Minister of Forestry, Fisheries and the Environment and the Board of SANParks for providing guidance and strategic direction during a very challenging financial year. We remain committed to stepping up our efforts to contribute to the developmental priorities of the country through the conservation of our heritages, responsible tourism and socio-economic transformation. I also want to thank the members of SANParks Executive and all our staff for staying positive during such a difficult time and for their commitment and dedication to the mandate of SANParks. Your efforts are highly appreciated. Lastly, I wish to express my deepest sympathies to the families of all SANParks staff who lost their lives and to SANParks staff who lost their loved ones during the course of this year. It has indeed been an extraordinary year. Their contribution to this organisation will never be forgotten.

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Mr. Fundisile Mketeni

Chief Executive Officer, South African National Parks

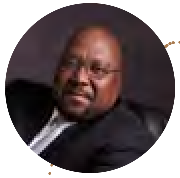
31 August 2021

Board of South African National Parks

BOARD OF SOUTH AFRICAN NATIONAL PARKS


Ms. Joanne Yawitch
Chairperson

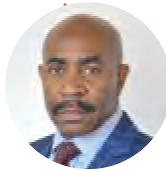

Adv. Tshepiso Mphahlane


Mr. Fundisile Mketeni
ex officio Board member


Mr. Faizal Docrat


Ms. Bulelwa Koyana


Prof. Elizabeth Mokotong

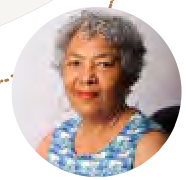

Mr. Jeoffrey Mashele


Dr. Urishanie Govender


Ms. Sophie Molokoane


Mr. Zola Fihlani

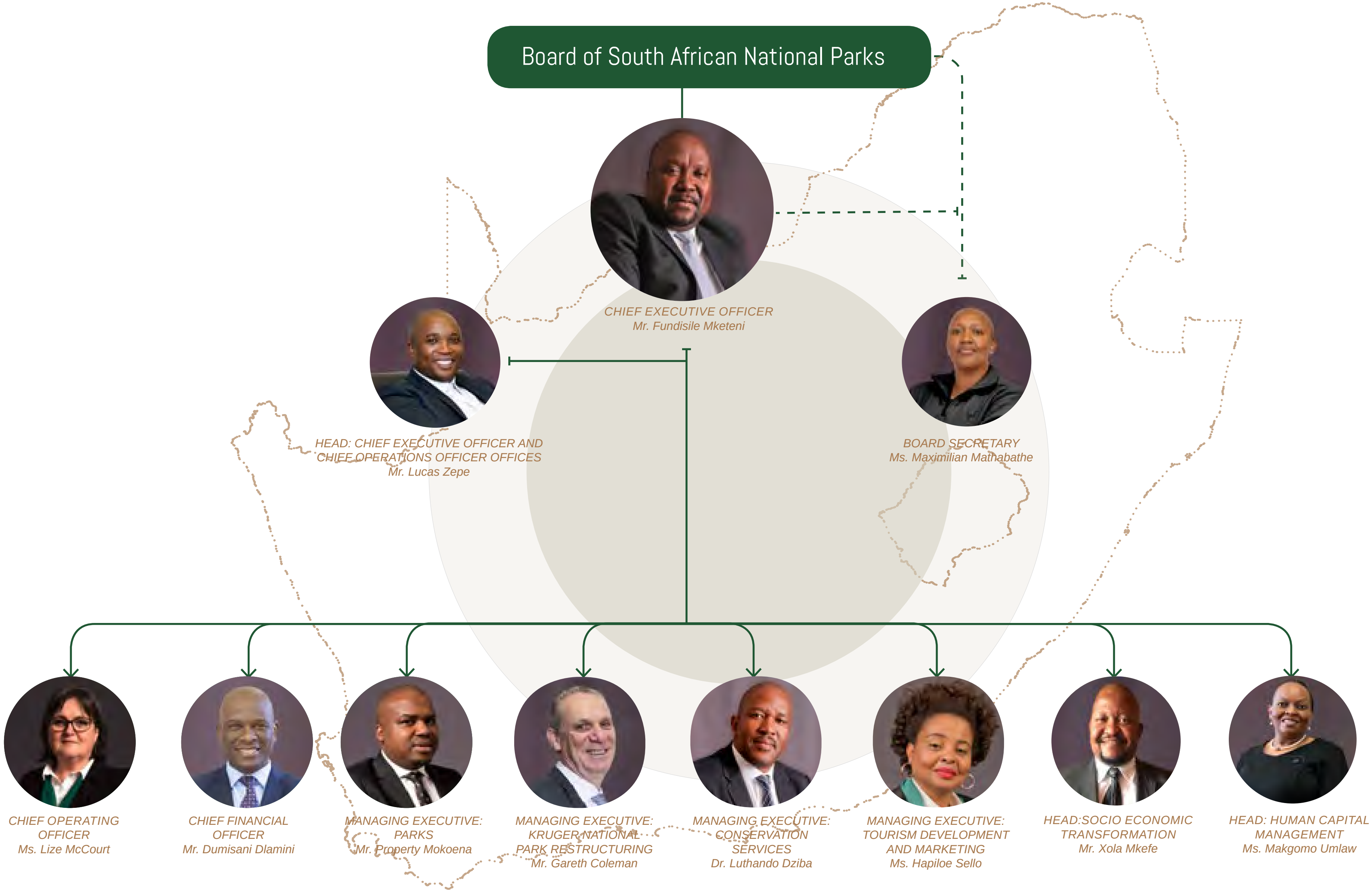

Mr. Lourence Mogakane


Dr. Tanya Abrahamse


Mr. Shonisani Munzhedzi


Mr. Tale Motsepe

6. ORGANISATIONAL STRUCTURE



Vacant Post:
* Managing Executive Corporate Services
* Managing Executive Infrastructure Management

7. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of our knowledge and belief, we confirm the following:

All information and amounts disclosed in the annual report is consistent with the annual financial statements audited by the Auditor General.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the Auditor General standards applicable to the public entity.

The Accounting Authority is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Authority is responsible for establishing and implementing a system of internal control 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 our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2021.

Acting Chief Executive Officer
Dr. Luthando Dziba
31 August 2021

Chairperson of the Board
Ms. Joanne Yawitch
31 August 2021

8. STRATEGIC OVERVIEW

8.1 Vision

A world-class system of sustainable national parks reconnecting and inspiring society.

8.2 Mission

To develop, protect, expand, manage and promote a system of sustainable national parks that represents natural and cultural heritage assets, through innovation, excellence, responsible tourism and just socio-economic benefits for current and future generations.

9. LEGISLATIVE AND OTHER MANDATES

As a leading conservation authority, SANParks is a public entity under the jurisdiction of the Department of Forestry, Fisheries and the Environment (DFFE), where inclusive conservation as opposed to previous policies of exclusion are central to advancing the policies in line with the National Development Framework for Sustainable Development and the National Development Plan. SANParks manages a system of 20 functional national parks in seven of the nine provinces of South Africa with a total area of just over 4 million ha comprising 67% of the protected areas under state management.

The SANParks of today is recognised as a world leader in conservation and protected area management. In the last two decades, seven new national parks have been established, totalling over 700,000 ha, with much of this being in the under-conserved biomes such as the Succulent Karoo and Fynbos. The National Environmental Management Protected Areas Act mandates SANParks to create destinations for nature-based tourism in a manner that is not harmful to the environment. SANParks generates 80% of its operating budget from its ecotourism business, therefore fulfilment of its conservation mandate is heavily reliant on thriving and sustainable tourism operations.

9.1 Constitutional mandate

Section 24(b) of the Constitution of the Republic of South Africa, Act 108 of 1996 underpins the SANParks mandate, which states that:

Everyone has the right –

(a) To 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 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.

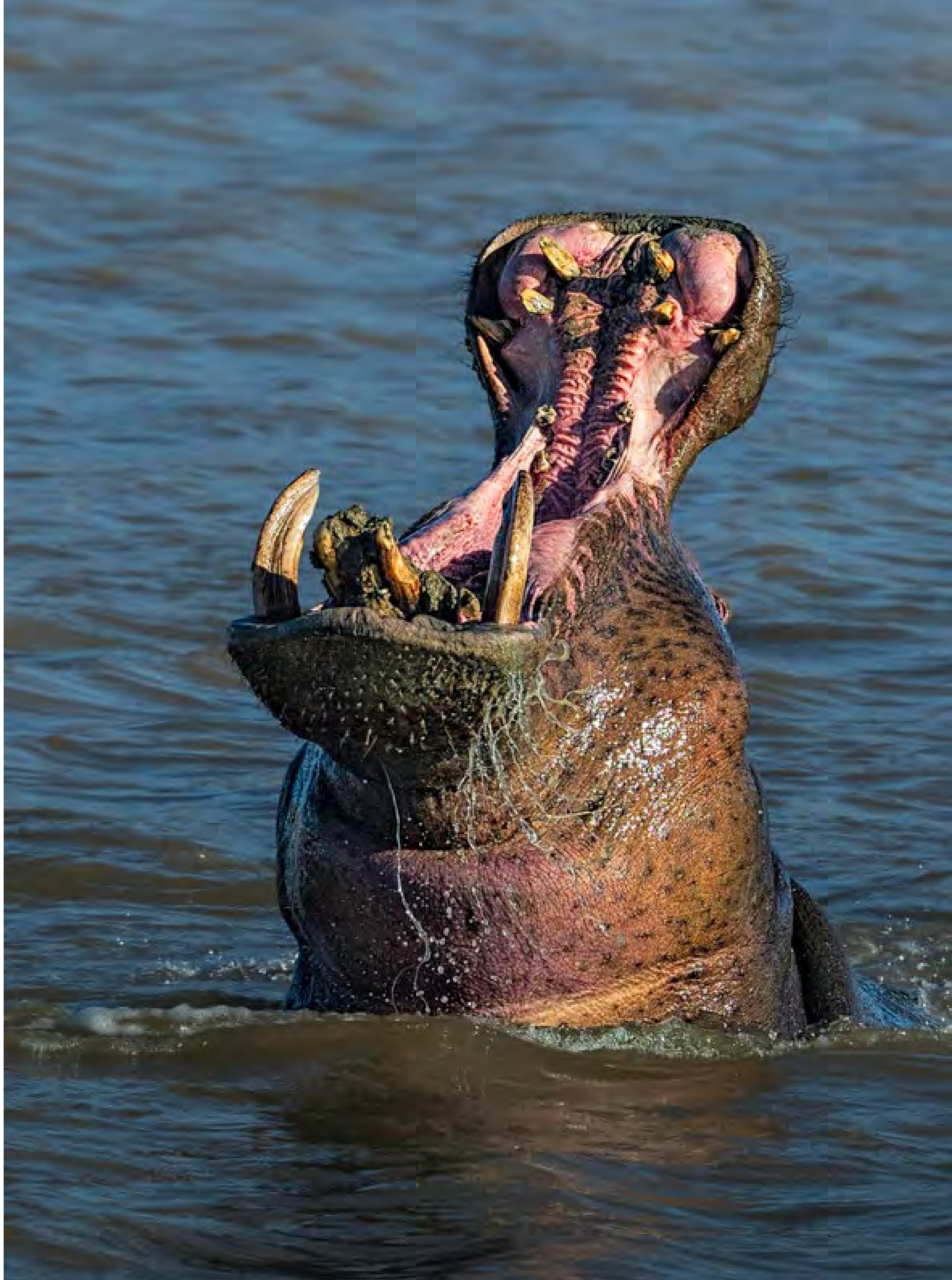
9.2 Legislative and policy mandates

SANParks was initially established in terms of the now repealed National Parks Act, 57 of 1976 and continues to exist in terms of the National Environmental Management: Protected Areas Act, 57 of 2003; with the mandate to conserve, protect, control and manage national parks and other defined protected areas and their biological diversity (Biodiversity).

As a public entity, SANParks is also governed by the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and it is listed as a Schedule 3 Part A: 25 public entity. In accordance with revised Treasury Regulations Section 5 and 30, issued in terms of the Public Finance Management Act (PFMA), to provide the necessary legal basis for implementation of the Framework for Managing Programme Performance Information, South African National Parks (SANParks) as a public entity listed in the Public Finance Management Act, Act 1 of 1999; Schedule 3 Part A: 25 is expected to submit a five-year Strategic Plan, ideally subsequent to every national election cycle, linked to the identified outcomes of the Presidency, for approval by the Ministry of the Department of Forestry, Fisheries and the Environment as an executive authority.

9.3 Relevant court rulings

As of the previous MTEF period, there are no court rulings that may have had a significant impact on SANParks' on-going operations and/or service delivery obligations. Nonetheless, suitable legislative frameworks, codes of good legal practices and resources have been put in place to mitigate such future risks.



PART: B
Performance
INFORMATION

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

As per the Auditor General's report, published under Part E of this report, the AG did not raise any material findings on the usefulness and reliability of the reported performance information for the strategic outcome goal 1 – Sustainable biodiversity and cultural heritage across land and sea delivers benefits for the people of South Africa and the world, now and in the future.

Material misstatements were found in the annual performance report submitted for auditing. These material misstatment were in the reported performance information of strategic outcome goal 1. As management subsequently corrected the misstatements, the AG did not raise any material findings on the usefulness of the reported performance information.

2. SITUATIONAL ANALYSIS

2.1 Service delivery environment

This past financial year has stretched SANParks to the limit due to the impact of the pandemic on basic operations during the hard lockdown and the general impact of travel restrictions on visitor numbers which have resulted in significantly reduced tourism revenue. SANParks, thankfully, received financial support from government to continue the essential mandate of managing South Africa's cultural and natural heritage. Additionally, the organisation tapped into the extraordinary commitment and resilience of its most valuable asset, its people, to deliver on the mandate under such difficult circumstances.

The National Lockdown to curtail the spread of COVID-19 in South Africa caused all National Parks to shut down for all of April and May 2020. Limited day-visits by intra-provincial local travellers were allowed from 8 June 2020, with overnight leisure accommodation and inter-provincial travel allowed again from mid-August 2020. The annual SANParks week, usually held in September, was postponed to November 2020. South Africa's borders remained closed to all international visitors until 1 October 2020 when it opened to a limited number of low-risk countries, with all prohibitions on foreign visitors cancelled during November 2020 (though most of SANParks' key foreign markets still face a second wave of infections, limiting non-essential travel for their citizens).

2.1 Service delivery environment *(continued)*

Surging local infections, leading to a second wave of COVID-19 from December 2020 resulted in the closure of beaches along most of South Africa's coast which also negatively impacted on visitor numbers to SANParks' coastal destinations, while further countries, including some of SANParks' key foreign markets, banned travel to the country following a new and more easily transmitted COVID-19 virus-variant being identified in the country. Continued restrictions on travel to South Africa, flooding in the Kruger National Park and the temporary closure of Lower Sabie due to a localised outbreak of COVID-19 further negatively impacted performance in January and February 2021, though the increased flow of the Orange River over the Augrabies Falls had a temporary positive impact on that park. The Agulhas Lighthouse Museum remains closed.

Annually the organisation aims to expand the conservation estate through inclusion of underrepresented biomes into the conservation land. In the 2020/21 financial year 6 424 ha of land were added into the National Park system. This represents an overachievement of 38% per cent against a target of 4 000 ha.

Plans for Agulhas and Golden Gate Highlands National Parks were approved by the Minister in December 2020. However, due to COVID-19 impacts on stakeholder engagement, no additional plans have been revised during 2020/21. Instead, a strategic review of SANParks' approach to development, implementation and evaluation of Park Management Plans was initiated in June 2020, supported by the GEF 5 Protected Area project. This included exploration of alignment and synergy between various planning, implementation and reporting tools across the organisation.

SANParks aims to strengthen the management of aquatic systems, including Marine Protected Areas and estuaries, which historically has lagged behind their terrestrial counterparts. Recent changes in legislation governing estuaries and the declaration of 20 new MPAs, of which SANParks manages three, has prompted a more focused approach to develop management plans specifically focused on these systems as legally required. SANParks' guidelines for the development of such plans were produced; focus will be on estuaries in the Garden Route National Park and the newly declared Addo Elephant National Park, Namaqua National Park and Robben Island MPAs.

Cultural heritage surveys and assessments were carried out in Garden Route, Kruger and Table Mountain National Parks, focused on documenting heritage sites and heritage objects. This included updating of sites and collections databases, verification of GPS locations of sites, assessment of the conservation state of different sites and objects as well as recommendations for their preservation. Buildings and structures older than 60 years were assessed and reported on in terms of Section 34 of the National Heritage Resources Act. In addition, cultural heritage management plans were developed for all three parks whilst a collection management plan was developed for Garden Route National Park. A list of national heritage status justification was produced containing specific sites in the parks. A Generally Recognised Accounting Practice 103 (GRAP 103) valuation report was produced for the same parks.

In Kruger National Park, a memorial was constructed at the grave of Chief Nyongane as part of honouring, profiling and promoting heritage associated with indigenous people who lived in the park. Adjacent to the memorial is a mass cattle grave where a plaque was erected to memorialise the mass killing of cattle without compensation under the guise of disease control. Rabelais Hut in the Kruger National Park has also been renovated and exhibitions upgraded. An interpretive facility has been constructed at Mount Tshikumbu and is currently awaiting installation of exhibits.

Together with researchers from universities and other organisations, research is conducted across national parks to produce reliable and relevant information that contributes to the SANParks' responsible management and conservation of South Africa's biodiversity assets. As the number of scientific staff employed by SANParks is too few to meet all the research needs across parks, collaboration with external partners is vital for knowledge generation. Of the current 240 registered research projects across parks, 82% are considered essential and/or important to SANParks' key knowledge needs, aligning with the 11 research themes identified in the SANParks Research Strategy. Dominant themes addressed were ecosystem structure, function and process followed by global environmental change. Although Kruger National Park (26%) and Garden Route National Park (22%) attracted most registered research projects, it was encouraging that almost one quarter of projects were registered across multiple national parks, allowing for broader insights and comparative studies.

A total of 176 articles and book chapters were published by both internal SANParks staff and external researchers (sometimes in partnership) for the year from April 2020 until end March 2021. This is an increase from the 135 papers published last year and one most likely attributable to increased writing time associated with lockdown restrictions. The number of publications with SANParks staff as lead or co-author increased from 77 in 2019/2020 to 93 in 2020/2021 (lead author on 29; co-author on 64 papers).

During 2020, a robust sample-based approach was developed which corrects the time series of elephant estimates, indicating substantial movements between Kruger and adjacent areas. Even so, analyses highlight that density-dependent mechanisms are playing out on elephant population growth in areas within Kruger that have a history of high elephant densities although movements of elephants mask these mechanisms. Informing elephant management in Kruger and the GLTFCA requires such integrated understanding of elephant populations and how they use landscapes. Elephant management in Kruger National Park focuses on maintaining resource gradients through fire, water and fence management policies, together with "zones of increased vigilance".

In Marakele National Park the time scale of ecological influences of elephants became apparent at the Thlopi Forest where considerable elephant impact was observed in the past, but which is now negligible. Key drivers of potential future forest loss are associated with alluvial soils and upstream activities that influence stream flow regimes through the forest patch. These reflections on elephant management are critical given likely future policy revisions of the national Norms and Standards for Elephant Management which currently do not accommodate implications of key lessons learned by SANParks.

Elephant management in Addo Elephant National Park (AENP) focuses on creating gradients of intensity of use, by establishing a water availability gradient, and administration of immuno-contraception across three sections of the park to reduce birth rates and thus slow down population growth.

Elephant contraception started in 2013 in the Nyathi Section to test the efficiency of the immuno-contraception vaccine and to re-establish energetic requirements present in larger systems, which is hypothesised to override the variable use of the landscape by elephant cows. Only three calves have been born in Nyathi since 2013. The Main Camp/Colchester elephant population was included into the contraception programme in 2019 as part of a suite of interventions to generate patchy landscape use and slow down elephant population growth. The elephant population in the Darlington Section was also included in the contraception programme in 2020 to manage and mimic longer birth intervals for this new population. Booster vaccines are administered annually in three sections.

Given the ongoing declines of rhino in Kruger, and the SANParks rhino strategy coming to an end in 2020, an assessment of previous interventions was required (over the last 10 years) and to get consensus on the way forward to attempt to reverse the declining population trend. A record of the workshop was compiled by WWF and informs the development of a rhino implementation plan for the Kruger. A further rhino workshop in March 2021 aimed to determine current shortfalls in monitoring data and co-develop monitoring and feedback systems to allow for information flow and exchange between responsible departments in Kruger.

The Board approved the Wildlife Economy Programme (WEP) Window 2 as recommended by the Wildlife Economy Steering Committee, for implementation over a three-year period. In Window 2, a total of 31 beneficiaries were successfully allocated diverse animals, totalling 3 022 individual head of game. Beneficiaries are from five provinces, namely Northern Cape, Eastern Cape, North West, Limpopo and Free State. During the year under review, a total of 530 animals were delivered to eight beneficiaries and deliveries will continue into 2021/22 financial year for the remainder of the beneficiaries. SANParks also plans to make high value species available for loans to emerging farmers and donations to communities.

The Presidential Employment Stimulus Fund and the employment of additional SMMEs allowed more work on the follow-up areas that could not be worked with the original budget. The Wetlands Programme and follow up rehabilitation of degraded land became active in mid-September 2020 when many staff members were allowed to return to work. The PES Fund allowed SANParks to increase the number of people and small contractors as part of a catch-up plan to achieve the planed targets for the year in these areas. The focus of the land rehabilitation was on follow-up rehabilitation work, as it is important to attend to areas where previously fundraising worked to maintain interventions. Follow-up hectares exceeded with 29% due to projects focusing on the follow-up work to maintain previous interventions. In the Cape Region, the project plan was changed to do follow-up rehabilitation in several areas to address the regrowth after fires, and in the Kruger more Parthenium clearing was also done with more teams that started working later in-field.

Revenue of R618, 748 million realised through Tourism performance for 2020/1 (Q1-Q4) is 235.8% above target of R189 million and 66.4% below previous year (2019/20) actual of R1 887 121 395. The target has been exceeded as a result of the earlier than anticipated resumption of tourism business and several initiatives to stimulate demand from the domestic market, e.g. promotions, awareness, etc. notwithstanding that the earlier anticipated return of foreign guests during the last quarter of 2020/1 was never realised. The number of visitors to national parks decreased by 68.4% year on year from 6 326 435 to 1 996 667 for Q1-4 of 2020/1. Despite challenges associated with the pandemic, SANParks developed four new and diverse products including Table Mountain Commercial Abseiling; the Rhodes Memorial Tearoom; the Kruger Spa Berg en Dal and Pretoriuskop and the Kruger Mobile Spa Satara, Tamboti, Talamati and Orpen.

In summary, for the reporting period, SANParks achieved 85% of its targets, 8% is work in progress and 8% have not been achieved.

2.2 Organisational environment

During the financial year, SANParks lost key personnel in strategic positions due to resignation, retirement and death. These include:

- General Manager Enterprise Risk Management
- General Manager Financial Management Kruger National Park
- Senior Manager Corporate Insurance
- Head: Ranger Services: KNP
- GM: Revenue and Yield

Given the financial constraints faced, the vacancy rate in SANParks has increased. It was not possible to fill all key vacancies and a prioritisation exercise was undertaken and some resources availed to address the most critical vacancies. Recruitment processes have been initiated in line with available resources and approved prioritisation.

However, the Executive team is now complete with the appointment of the Head of Human Capital Management in November 2021 and filling of the Managing Executives for Corporate Services and Infrastructure Development put on hold indefinitely.

Due to failure to adequately resource the Internal Audit Function, including cancellation of the tender to appoint a co-sourced partner, SANParks did not have a functional and compliant Internal Audit Function for the majority of the year. The CEO and Board implemented an intervention towards the end of the financial year whereby additional capacity was co-opted and a revised Internal Audit Plan, implemented.

2.3 Key policy developments and legislative changes

The National Policy Development Framework of December 2020 guides SANParks and other public entities in drafting their respective public policies. The framework seeks to standardise the policy formulation processes across all spheres of government in South Africa, including policy coordination and policy-making cycle. SANParks is implementing this Framework through the development of an annual Policy Review Schedule coordinated by a dedicated

Policy Compliance Unit. To this end, SANParks completed the following policies and strategies against 2020/2021 annual Policy Review Schedule,

- SANParks Enterprise Risk Management Strategy
- SANParks Enterprise Risk Management Policy
- SANParks Integrated Wildlife Management Policy
- SANParks Delegation of Authority
- SANParks Donations and Sponsorship Policy
- SANParks Ethics Management and Governance Strategy
- SANParks Ethics Management and Governance Policy
- SANParks Information Communication Technology Security Policy
- SANParks Resource Mobilisation Strategy
- SANParks Performance Management and Development Policy (Ministerial concurrence pending)
- SANParks Recruitment and Selection Policy (Ministerial concurrence pending)
- SANParks Employee Transport Policy (Ministerial concurrence pending)
- SANParks Housing Policy (Ministerial concurrence pending)
- SANParks Acting Policy (Ministerial concurrence pending)
- SANParks Bereavement Policy (Ministerial concurrence pending)
- SANParks Conditions of Service (Ministerial concurrence pending)

COVID-19 (and associated Alert Level Regulations) brought about key policy focus issues within SANParks including defeating the COVID-19 pandemic, economic (revenue) recovery, implementing economic reforms through the organisation's transformation strategy to create sustainable jobs and drive inclusive growth and continuing to fight corruption and criminal activities. The different alert level-related COVID-19 Disaster Management Regulations and Directives from the Minister of Employment and Labor, had a definite impact on the operations of SANParks. Relevant protocols were developed and implemented to ensure full compliance with the legislative changes and directives. Movement restrictions; restrictions on occupation levels – both at places of work and tourism infrastructure; restrictions and temporary suspension of some economic activities had and continue to have an impact on SANParks operations and especially its ability to generate revenue. Whilst not regulated by the Public Administration Management Act or Regulations specific to the Public Service, SANParks fully aligned its workplace practices during the Pandemic with guidance and guidelines published by the Department of Public Service and Administration.

Zipline in the Knysna section of Garden Route NP

3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

CHIEF OPERATING OFFICER
Ms. Lize McCourt

In order to realise SANParks' vision and fulfil its public good mandate, SANParks developed four outcome goals, each supported by sub-outcomes. Whilst Outcome Goal 1 is focused on realising the core conservation and sustainable environmental management mandate, it is primarily resourced through the Tourism work of the organisation directed through Outcome Goal 2.

Outcome Goal 3 focuses the work of SANParks in ensuring that the sustainable use principle implemented through both Outcome Goal 1 and Outcome Goal 2, not only derives benefits for communities, but also actively contributes to Socio-economic transformation.

These three goals are enabled by Outcome Goal 4, or the organisational goal working towards an efficient, effective, world class organisation through our people, finances, systems, stakeholder engagement and good governance.

VISION

A world-class system of sustainable National Parks reconnecting and inspiring society

IMPACT STATEMENT

National Parks conserve biodiversity and cultural heritage, providing benefits and ecotourism experience to the people of South Africa and the world

OUTCOME

OUTCOME 1:

Sustainable biodiversity and cultural heritage across land and sea delivers benefits for the people of South Africa and the world, now and in the future.

OUTCOME 2:

Improved, Diverse and Responsible Tourism

OUTCOME 3:

Sustainable socia-economic development programme that ensures delivery of benefits to Land Claimants; Historically disadvantaged communities and the people of South Africa

OUTCOME Indicators

SUSTAINABLE CONSERVATION

- Protected Areas Expansion aligned with the National Protected Area Expansion Strategy (NPAES) and the SANParks land inclusion plan
- Effective and Efficient Management of National Parks
- Degraded ecosystems rehabilitated
- Climate change vulnerability reduced and climate resilience improved
- A framework towards the improved management of aquatic systems
- A framework for the improved management of cultural heritage developed
- Sustainable Populations of species of special concern monitored and maintained
- Contribution to improved wildlife management and wildlife populations of African range stated sustained
- Wildlife crime in national parks reduced

DIVERSE AND RESPONSIBLE TOURISM

- Improved Tourism Performance
- Improved Responsible Tourism

SOCIO ECONOMIC TRANSFORMATION

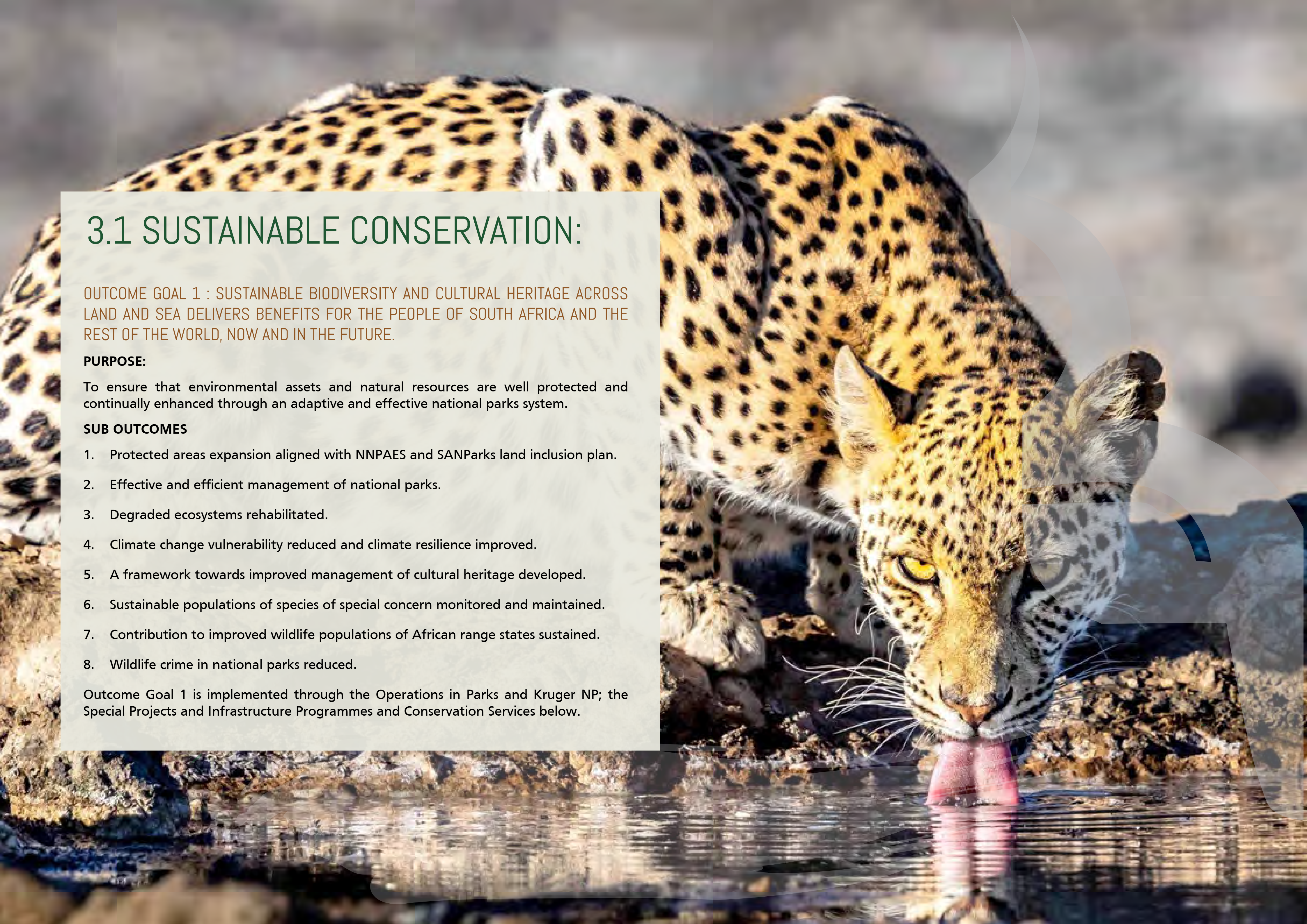
- Transformation of the wildlife economy through increased PDI participation
- Improved participation of PDIs in SANParks business
- Increased access to education and skills development opportunities
- Sustainable corporate social investment towards community development
- Improved participation of land claimants in SANParks business

OUTCOME

OUTCOME 4: Sustainable and transformed organisation through revenue, people, systems and business processes

- Financially sustainable organisation
- Transformed and capable human capital
- Organsational Ethical culture improved
- Effective stakeholder and partnership management
- Efficient, innovative systems and business processes supportive of SANParks core business
- Sound Corporate governance
- Appropriate and well maintained infrastructure

OUTCOME INDICATORS



3.1 SUSTAINABLE CONSERVATION:

OUTCOME GOAL 1 : SUSTAINABLE BIODIVERSITY AND CULTURAL HERITAGE ACROSS LAND AND SEA DELIVERS BENEFITS FOR THE PEOPLE OF SOUTH AFRICA AND THE REST OF THE WORLD, NOW AND IN THE FUTURE.

PURPOSE:

To ensure that environmental assets and natural resources are well protected and continually enhanced through an adaptive and effective national parks system.

SUB OUTCOMES

1. Protected areas expansion aligned with NNPAES and SANParks land inclusion plan.
2. Effective and efficient management of national parks.
3. Degraded ecosystems rehabilitated.
4. Climate change vulnerability reduced and climate resilience improved.
5. A framework towards improved management of cultural heritage developed.
6. Sustainable populations of species of special concern monitored and maintained.
7. Contribution to improved wildlife populations of African range states sustained.
8. Wildlife crime in national parks reduced.

Outcome Goal 1 is implemented through the Operations in Parks and Kruger NP; the Special Projects and Infrastructure Programmes and Conservation Services below.

3.1.1 OPERATIONAL REPORT: PARKS DIVISION

Mr. Property Mokoena
MANAGING EXECUTIVE: PARKS

South Africa's national parks conserve the country's rich diversity of flora and fauna. Located largely in rural areas, they are catalysts for economic growth, creating employment and transformation in areas that generally lack such opportunities. They also contribute significantly to the protection of strategic water source areas, archaeological and historical sites and safeguard endangered ways of life.

SANParks' Operations is responsible for managing the twenty national parks, organised into two divisions, namely Kruger National Park and Parks Division. The latter is divided into five regions - Arid, Cape, Frontier, Garden Route and Northern Regions. The clustering of national parks into regions is primarily based on geographical location and logistical considerations, and each national park contributes unique significance. The Parks Division administers a terrestrial and aquatic estate of over 2 507 065 ha. The recent declaration of three new Marine Protected Areas (MPAs) and Meerkat National Park has added approximately 365 440 ha to the national conservation estate.

The Arid Region consists of six parks. Kalahari Gemsbok National Park, the largest, covers almost one-third of a sand-filled basin in the west of southern Africa and supports diverse fauna and flora. Because of its importance to the Khomani San, the park was proclaimed a UNESCO Cultural Heritage Landscape in 2018. Three other parks, /Ai/Ais Richtersveld National Park, Augrabies Falls National Park and Namaqua National Park lie within the Succulent Karoo Biome and are also areas of significant geological interest. Kalahari Gemsbok National Park and /Ai/Ais Richtersveld National Park are both part of Transfrontier Conservation Areas that straddle South Africa, Botswana and Namibia. The recently declared Namaqua Marine Protected Area of 54 940 ha extends between the Groen and Spoeg Rivers, providing an important linkage to the terrestrial component of the park.

Mokala National Park supports diverse ecosystems in the transition zone between the Karoo Biome and the Arid Savanna Bushveld. The declaration, on 27 March 2020, of the Meerkat National Park around the development of the Square Kilometre Array (SKA) in the Northern Cape Province is a key milestone that expands the conservation asset base to include an international science hub.

Uniquely, following a land claim settlements process, contractual agreements are in place with local communities in three of the Arid region parks: with the Khomani San and Mier communities in Kgalagadi Transfrontier Park; the Riemvasmaak community in Augrabies Falls National Park; and the Richtersveld community in /Ai/Ais Richtersveld National Park. Joint Management Boards for each area enable engagement on matters of mutual interest including social and economic development projects.

There are five parks in the Cape Region, three of which are situated along the coastline, namely Agulhas National Park, West Coast National Park and Table Mountain National Park, and include three MPAs. The latter includes the newly declared Robben Island MPA which adjoins the existing Table Mountain MPA. Parts of West Coast National Park and MPA are important non-breeding sites for hundreds of thousands of Palaearctic migrant waders during the austral summer and, with about 32 per cent of South Africa's saltmarshes, is recognised by the Ramsar Convention as a wetland of international importance.

Areas of the Western Cape Province include spaces of outstanding and universal ecological value, representing the ongoing ecological and biological evolution of the Cape Floral Region. Table Mountain National Park, Agulhas National Park and Bontebok National Park are within the Cape Floral Region Protected Areas World Heritage Site. Tankwa Karoo National Park falls within the International Biodiversity Hotspot of the Succulent Karoo, recognised by Conservation International.

The Frontier Region consists of four parks, representing different biomes, located in the Western and Eastern Cape Provinces. Addo Elephant National Park conserves examples of the Eastern Cape's unique biodiversity. It includes marine areas, examples of five terrestrial biomes (thicket, forest, fynbos, nama-karoo and grassland) and azonal wetlands in a landscape-diverse environment with offshore islands, coastal plains, dune fields, mountains and arid plains. The recently declared Addo Elephant National Park MPA includes the previous Bird Island MPA which was repealed.

Camdeboo National Park and Karoo National Park include steep topographical gradients which produce a structurally complex environment providing many niches for animal and plant species. Vegetation is closely linked to soil type and depth, rockiness, slope and aspect. Camdeboo National Park represents the Karoo biome, recognised as a world conservation priority. Karoo National Park is in the semi-arid Nama-Karoo and falls within the Nama-Karoo and Grassland biomes. Mountain Zebra National Park is in a transitional area between the Grassland, Nama-Karoo, Thicket and Savanna biomes, major vegetation types currently poorly conserved elsewhere in South Africa. The transition area between biomes results in an interesting mix of flora and fauna as well as important ecological and landscape processes.

The Garden Route Region is a complex of protected areas managed as a single entity. It includes the previously proclaimed Tsitsikamma National Park and Wilderness National Park forests and mountain catchment areas as well as the Knysna National Lake Area. The park incorporates approximately 45 000 ha of indigenous forest previously managed by the Department of Water Affairs and Forestry. The park is highly fragmented but encompasses a diversity of natural habitats and social systems. Mountains, forests, lakes, rivers, estuaries and beaches are interspersed with towns, farmlands and commercial timber plantations.

Tourism is vital to the area and most of the natural attractions, which are largely unfenced and accessible to local people and visitors alike, are managed within the park. The Garden Route National Park's comprehensive new park management plan was finalised following a thorough public participation and collaborative stakeholder consultation process. The plan, for the period 2020-2029, was approved by the Minister of Forestry, Fisheries and the Environment in February 2020.

The Northern Region consists of three parks. Golden Gate Highlands National Park, in the north-eastern Free State, was proclaimed for its water production capacity, geological significance and aesthetic beauty. Its central position also means that it is accessible to many of the country's major population centres. It affords protection to the threatened grassland biome and is the only grassland park in the SANParks estate. Eastern Free State grassland, Lesotho highlands basalt grassland and Lesotho montane shrubland, all represented in the park, are poorly protected elsewhere and have a high conservation priority rating. The world's oldest dinosaur eggs, with embryos, were discovered in the park and a world-class interpretive centre that will tell the story of the African dinosaurs is presently nearing completion. The park also represents a rich and diverse cultural history spanning early Stone Age people, San, Basotho and early European settlers, and contains important rock-art paintings and Anglo-Boer war sites. In addition, the park forms the watershed between the Vaal and the Orange River systems, contributing to the provision of high-quality water, via the Lesotho-Highlands water project and the Tugela-Vaal transfer scheme, to the Gauteng region and into the Orange River system. The park is part of the Maloti Drakensberg catchment complex, which is considered one of the most important water catchment systems in southern Africa.

The importance of Mapungubwe National Park and World Heritage Site lies in its more than 400 archaeological sites displaying a dynamic interaction between people, natural resources and landscapes. This interaction laid the foundation for a new type of Iron Age social organisation in the region between AD 900 and 1300 by ancestors of the Venda, North Sotho and Shona cultures. In addition, the park protects important biodiversity components of its semi-arid landscape and, as part of the Greater Mapungubwe Transfrontier Conservation Area, aims to support communities and ecosystems whilst unlocking sustainable socio-economic benefits. Managing biodiversity conservation within an open system spanning three countries (Zimbabwe, Botswana and South Africa) is challenging and the Mapungubwe Park Management Plan emphasises stakeholder engagement and recognition of culturally linked communities in pursuit of common objectives.

Marakele National Park is situated in the extreme south-western quadrant of the Waterberg massif and its adjoining lowlands to the west. The park hosts a wide diversity of vegetation in four major vegetation units: fine-leaved thornveld, broad-leaved woodland, forest and grassland. Floristically, Marakele is exceptionally rich, with representatives of fynbos and forest systems. Because the Waterberg is an important transitional zone in the distribution of mammals, it supports a large diversity of species.

The six Marine Protected Areas, totalling 369 397 ha, managed by SANParks play an important role in the country's marine conservation efforts and contribute extensively to the protection of important marine ecosystems in South Africa.

DID YOU KNOW?

43 MARINE PROTECTED areas are declared in South Africa

5.4% OF SA TERRITORIAL WATERS ARE NOW RESERVED

6 MPAS UNDER SANPARKS MANAGEMENT

1. Namaqua NP MPA
2. West Coast NP MPA
3. Table Mountain NP MPA
4. Robben Island MPA
5. Tsitsikamma NP MPA
6. Addo Elephant NP MPA

Managing Parks Effectively: State of Area Integrity Assessments

State of Area Integrity Management (SoAim)

For the past decade, assessments of the State of Area Integrity (SoAIM) have been undertaken at park or section level. Their purpose is to evaluate management's operational interventions, establishing the ability of parks to function effectively and efficiently. There is a particular focus on ensuring that people, systems, processes and resources are in place and in use to achieve the desired ecological, safety and security status of a protected area. A newly introduced system produced results reflecting the risk to and importance of criteria assessed, with scores indicating current Area Integrity. After analysis, each park identified numerous corrective actions against which progress is monitored and reported quarterly.

Management Effectiveness Tracking Tool (METT)

Management effectiveness is defined by the International Union for Conservation of Nature (IUCN) World Commission on Protected Areas as the assessment of how well a protected area is being managed, primarily in terms of the extent to which it is protecting the values and achieving the goals and objectives of the protected area. Protected area effectiveness assessments, such as the Management Effectiveness Tracking Tool (METT) assessment enables organisations to refine conservation strategies, re-allocate budget expenditures and develop strategic responses to the identified threats and weaknesses across the organisation. Furthermore, METT is useful in identifying trends and supplying consistent data regarding the progress of protected area management over time.

SANParks aims to manage all its parks, including the MPAs and cultural heritage, under its management, effectively. Thus, during the past year, METT assessments were conducted in all parks using the revised METT-SA 3 system. The target for the SANParks METT was a score set at ≥ 67%, which represents sound management. SANParks achieved an average score of 71% for national parks. Of the 19 national parks assessed, eight national parks achieved an average score above 70%, nine national parks achieved an average score of between 67% and 70%, while one national park scored below 67% (Namaqua National Park). Following the assessment, each park identified improvement measures and thereafter reports on progress against these measures. During the fourth quarter of 2020-21 Namaqua National Park was reassessed. Following this assessment, all parks have an achieved score above 67%.

Parks Operations

Law Enforcement and Area Integrity

During the first wave of COVID-19, restriction of international, inter-provincial and within-provincial travel and movement resulted in a significant decline in poaching incidents across parks. This was most noticeable in the marine sector where access to beaches and the coastline remained limited even during the second wave of COVID-19 and associated restrictions. However, as the country moved to an adjusted level three category, with the easing of curfew hours and increased movement of people, a gradual increase in the incidence of poaching was experienced.

Table Mountain National Park continues to experience numerous and diverse criminal activities which are characteristic of an urban area park. Nevertheless, over the past few months the incidence of criminal activities has declined. This can be attributed to the establishment of a central Command and Operational Centre and closer collaboration with neighbourhood watch groups around the park. The park also conducted numerous successful law enforcement operations, including a number of arrests for abalone poaching as well as confiscation of abalone and equipment.

An increasing concern across parks is the high frequency of attempted and actual cases of animal poaching by means of snares and traps. This is evident in the number of snares confiscated across numerous parks. Over the past year there was a 109% increase in snares removed across parks. In addition, theft of fencing and other materials is experienced in a number of parks. This has increased across parks and remains problematic causing damage to property and enabling animals to leave parks and livestock to enter parks.

Examples of park-specific challenges include regular illegal immigrants and cigarette smugglers traversing Mapungubwe NP from Zimbabwe, which remains a high risk for the park. Over R7 million worth of illicit goods, primarily cigarettes, were seized over the past 12 months. Strong collaboration exists with the South African National Defence Force in order to combat these crimes. In similar fashion, Golden Gate Highlands National Park is continuously used as a thoroughfare for stolen livestock driven between Lesotho and South Africa. This activity is also associated with arson fires to the extent that no less than 24 arson fires were extinguished during the past year. Across parks various enforcement and compliance interventions are in place in order to mitigate these highlighted problems.

Rhino Management

Six parks outside of Kruger National Park manage important rhino populations, namely Addo Elephant, Karoo, Mapungubwe, Marakele, Mokala and Mountain Zebra National Parks. Populations vary from as few as three white rhinos in Mapungubwe to as many as 294 white rhinos in Marakele National Park. In addition, Parks Division manages two subspecies of black rhinos, namely the south-central Diceros bicornis minor and the south-western Diceros bicornis. The latter is protected in Addo Elephant, Karoo, Mokala and Mountain Zebra National Parks, while the south-central black rhino is protected in Marakele National Park.

The Parks Division has been successful in implementing a Rhino Protection Plan since 2014, having lost only lost six white rhinos to poaching between 2014 and March 2021. During the past year a total of 52 births were recorded i.e. 29 white rhino, 20 south-western black rhino and three south-central black rhino.

In September 2020, two female rhinos from Mapungubwe National Park within the trans-frontier conservation area, crossed the Limpopo River into Botswana. They were tracked by rangers into the Tuli circle in Zimbabwe whereafter they moved back into Botswana. The cow and her female calf were subsequently captured by the Botswana government and moved to the Khama Rhino Sanctuary. Unfortunately, shortly after arrival, the calf was badly injured by a bull in the sanctuary and has since died.


South western black rhino

Cheetah meta-population management

Cheetah were re-introduced into Mountain Zebra National Park in 2007 and numerous offspring have become part of South Africa's cheetah meta-population management project, facilitated by the Endangered Wildlife Trust. A highlight for the year was the successful translocation of a male cheetah in December 2020 to Bangwelu Wetlands Park in Zambia. Subsequent updates indicate that the cheetah has adapted well to his new environment.


Preparation of cheetah for departure to Bangwelu Wetlands Park Zambia

Penguin populations in decline

African penguin (Spheniscus demersus) populations have declined rapidly over the past century. SANParks is the custodian of around 55% of the remaining penguin population, which is located across St Croix and Bird Islands (Addo Elephant National Park MPA), Boulders (Table Mountain National Park MPA) and islands in West Coast National Park. A count at Boulders has indicated that numbers have remained relatively stable. However, at St Croix, on the other hand, estimates indicate a continued decline, with a loss of around 3 600 breeding pairs between 2017 and 2020. Trends on the West Coast indicate that penguins will likely stop breeding there altogether in the next few years if food availability remains scarce. The species is predicted to be functionally extinct by 2035 if current trends are not reversed.

The lack of food availability has been identified by SANParks as the largest threat to continued penguin survival and SANParks maintains that island closures through fisheries exclusion are crucial to saving penguins from extinction over the long-term. SANParks participates in the Task Team and Governance Forum established by the Minister of the Department of Forestry, Fisheries and the Environment (DFFE) in early 2021 to conduct a synthesis of current scientific information relating to island closures and African penguin population declines. This also includes evaluation of the recommendation from SANParks to DFFE to exclude small pelagic fishing for sardine and anchovy around a 20 km radius of major African penguin breeding colonies.


African penguin - Addo Marine Protected Area

Extreme weather conditions

The experience of extreme weather events across parks varied from rains bringing welcome relief, to flooding and continued droughts; conditions likely attributed to the impacts of climate change. For example, Augrabies Falls National Park received 46 mm of rainfall in two days in early January 2021 which is more than the 41 mm of cumulative annual rainfall for 2020. However, these rains only resulted in temporary and localised relief, and, despite the tens-of-millions of cubic metres of water gushing over the Augrabies Falls, the park as a whole remained crippled by extended drought. Similarly, despite receiving average annual rainfall, Tankwa Karoo National Park remains crippled by extended drought and the Roogeveld escarpment received winter snow in areas that last experienced snow conditions four years ago, which led to overnight temperature drops of up to -10 °C.

During the past year, Richtersveld received the best rainfall in nine years, bringing huge relief. Average annual rainfall throughout the /Ai/Ais Richtersveld National Park over the past decade varied between 22 – 32 mm, while 2019-2020 brought an average rainfall of 104 mm. Minor flood damage occurred and visitors at river campsites were evacuated to escape the swollen Orange River at one point. The rains resulted in spectacular flower displays and recovery of vegetation such that dust bowls became covered with a variety of grasses. Eight months after the rains there was still good groundcover, resulting in reduced dust storms throughout the park and its surrounds. Nevertheless, effects of the extended drought remain clearly visible. Alarmingly, large numbers of plants, noticeably also quiver trees, were not able to survive the extended drought and vast areas with plant carcasses remain throughout the park. Unfortunately, travel restrictions meant that visitors were not able to experience the full extent of nature’s spectacle in the Richtersveld region.

Richtersveld NP Helskloof Pass following rains in August 2020

With the gradual opening of National Parks after lockdown restrictions, visitors to the Kgalagadi were welcomed by huge rain showers similar to those last recorded in 1954-55. The rains arrived earlier than previous years, with significant amounts of rain falling in November 2020. In addition, over the following three months, an average of around 216 mm was recorded across the park. This is substantially more than the parks’ long-term average of just over 200 mm per annum. Vegetation transformed almost overnight from sparsely vegetated dunes into a lush green covering. The vast amounts of available fresh water, coupled with fresh vegetation growth, resulted in a massive influx of antelope into the riverbeds. Herds of gemsbok in excess of 100 animals were frequently observed and springbok amassed in large concentrated herds, one of which was estimated to be in excess of 800 animals near Unions End.

Kgalagadi transformed into green pastures after rains in January 2021

Similarly, Mapungubwe National Park received 304 mm of rainfall towards the end of 2020 and into January 2021. The drought preceding these rains was the worst in approximately 30 years and poor veld conditions were clearly visible. Following these rains, grass cover rapidly recovered and animals recovered from the dry period and are in excellent condition. The ecological system in this drought-prone area is resilient and adaptive to such events which allows rapid recovery following dry periods. Dry periods such as the one preceding these good rains are shown from historical figures to be normal. However, the 209 mm measured during January 2021 was the second highest rainfall measured for January during the past 12 years and the third-highest recorded in 21 years. These rains led to flooding events which resulted in damage to the popular treetop walk as well as erosion of the riverbank and riverine forest.

The Eastern Cape has experienced the worst drought recorded in excess of 93 years. Addo Elephant National Park is mostly situated in an area that should receive between 600 – 800 mm rainfall annually. However, annual rainfall recorded in the past two years shows a decline of over 52%. This has resulted in animals losing condition due to poor vegetation state, most notably elephant and buffalo. These conditions have necessitated provision of water to all waterholes in the largest section of the park and extraction of additional water from receding boreholes.

Addo Elephant in the National Park

Karoo National Park has also experienced drought for the past five years, with rainfall figures for 2019 approximately >55% below the average rainfall of 250 – 300 mm for the region. Veld condition had deteriorated significantly and prolonged drought resulted in mass die-off of antelope towards end 2019 and early 2020. Eland, kudu and gemsbok mortalities were highest with many carcasses found along dry river beds and along ridges as animals searched of food in higher-lying areas. However, welcome rains in mid-2020 resulted in significantly improved veld condition and good recovery of wildlife as evidenced by the 2021 game census. Smaller herds of gemsbok and eland have started to congregate into larger herds again as seen during good rainfall years. Nevertheless, suitable temperature and rainfall conditions at the start of 2021 resulted in a brown locust outbreak outside the park boundary and in the central Karoo district. Large swarms were reported daily as they moved through the park.

Karoo NP mortalities due to drought in 2019

Flower season

The show of flowers in Namaqua National Park started during late July 2020 and lasted much longer than usual. The extended season and wider variety of flowers could be attributed to the good rains received in 2019-2020, as well as more favourable weather conditions and the absence of hot, dry berg winds. Visitors could still experience the flower-covered landscape well into October, which is two months longer than normally experienced. Visitors flocked to the Namaqua area to witness the display of a diversity of flowers. Thus, despite travel restrictions, the park experienced a 21% increase in visitors from the previous year.

Namaqua flower season 2020

Similarly, good rains experienced during winter months ensured that flowers were exceptionally good during the spring flower season in West Coast National Park. Upon lifting of COVID-19 travel restrictions on 4 June 2020, visitors flocked to the Postberg section of the park to experience the wildflower displays. Access via Langebaan gate often resulted in queues of vehicles extending up to kilometres long. The park experienced a 15% increase in visitors from the previous year, primarily due to an extended flower season.

West Coast NP flower season 2020

Augrabies Falls spectacle

The average flow of ± 20 m^3/s of water over the Augrabies Falls changed in a very short time into a spectacular display of water over the falls. Heavy rainfall in late January and early February 2021 in the Orange River catchment area resulted in rapid increases in flows over a few days. Thus, flow over the falls increased rapidly from ± 51 m^3/s on 1 January 2021 to peak on 11 February 2021 at approximately 2 600 m^3/s. The mighty Orange River created more than 10 additional waterfalls that literally revamped the waterfall into an extraordinary display which attracted visitors from all over the country to experience the spectacle. For the months of January and February 2021 the number of visitors increased by >515% compared to the same period last year. Visitors to the region also supported surrounding communities, tourism products and other businesses in the district which brought welcome relief to the numerous businesses that were impacted by the pandemic. "Majestic, awesome, fabulous, indescribable, wonder of nature, once in a lifetime experience" are a few of the words that visitors used to pronounce the showpiece.

Augrabies Falls 6 February 2021

Navigation aids on Swartvlei Estuary

The past year saw the implementation of South African Maritime Safety Authority (SAMSA) Aid to Navigation Project in Swartvlei in the Wilderness section of Garden Route National Park. It is first estuary in South Africa to have SAMSA-approved aids to navigation and the project is leading the way for compliance with international standards in estuary management. This project will make a significant contribution to ensure safe boating as well as compliance to the estuary's zonation system that aims to balance recreational use with ecological protection.

Rangers at our service

Rangers' duties vary widely across the land- and sea-scapes of our national parks but have in common area integrity patrols, the observation and monitoring of fauna and flora, law enforcement and compliance. The nature and extent of such work varies depending on whether a park is rural, peri-urban or urban. Rangers' other daily tasks and emergency functions include monitoring and maintenance of fences, water supply and roads, management of alien invasive animals and plants, game capture, visitor safety, firefighting, boating work and gate security. The rhino-poaching crisis of recent years has resulted in most rangers working in parks containing the Big-5 also being heavily engaged in anti-poaching activities. Within the ranger force, specialised staff are trained for specific tasks, including specialist trackers, visitor safety rangers, pilots, vessel skippers and crew and dog handlers who boost security with their canine partners.

The essential services provided by rangers was apparent during the hard lockdown period experienced during the COVID-19 pandemic. Rangers continued to provide the essential services across all parks and ensured compliance, enforcement and environmental integrity. During closure of parks and the gradual opening and increased movement of people thereafter, rangers continued their work uninterrupted and diligently. The work environment was challenging with restrictive and ever-changing COVID-19 regulations, which put rangers at the forefront of challenges associated with misinterpretation of legislation by the public.

With the onset of the second wave of COVID-19 in the country during December 2020, certain areas were identified as high-risk or hotspot areas. On 28 December 2020, South Africa was moved to adjusted level 3 with restrictions enforced across the country, including restricting access to the coastline, closure of rivers, lakes and other waterways, as well as picnic and public gathering areas. Nevertheless, recreational fishing was still permitted. These restrictions had a major impact on December-January summer visitation trends at coastal national parks such as Garden Route, Addo Elephant, Agulhas, Namaqua and Table Mountain National Parks. This also resulted in rangers in these parks being faced with continued challenges of national legislation by the public and other lobby groups.

Parks as spaces for access, healing, reconciliation and learning

SANParks' role relates not only to protecting the country's diverse flora, fauna and landscapes, but also to enabling human interaction with the natural world. Many diverse activities typify the purpose of such interactions, including citizens sharing and enjoying this national resource, contributing to knowledge, healing and reconciliation; raising awareness, community outreach and promoting tourism in our parks.

Since the start of the COVID-19 pandemic, all parks were involved with numerous community outreach programmes, including distribution of food parcels, medical supplies, personal protective equipment, water tanks, water, establishment of feeding centres, etc. Parks partnered with district and local municipalities, non-governmental organisations and community-based organisations to assist people in need. SANParks' Honorary Rangers were an instrumental partner in most of the outreach initiatives.

Melkbosrand cemetery within the Riemvasmaak community – Augrabies Falls National Park

A historic event in December 2020 at Melkbosrand Cemetery within the Riemvasmaak community unveiled one of three memorial needles. These memorial needles include the surnames of families buried at the site, some dating back to the 1940s as well as family names of descendants of the people laid to rest in the cemetery. The unveiling held great significance for the remaining family and community members. Prior to the unveiling of the memorial needle, the traditional ritual of sprinkling water as per the Nama culture was performed to gain the favour and approval of the ancestors before entering this sacred area. The day provided community members with an opportunity to exchange Nama cultural customs and interesting stories of those families who historically lived on the land.

In 2004, the Melkbosrand area within Augrabies Falls National Park, was de-proclaimed, as part of the Riemvasmaak land claim. Most of the graves within the cemeteries are unmarked. The park sponsored the memorial needles in order to ensure that the people buried at the site could be honoured and remembered by their families and communities. This Memorial Day was well received by members of the Riemvasmaak community, who expressed their gratitude towards SANParks for the gesture and recognition.

Augrabies Riemvasmaak elders unveiling the memorial needle at Melkbosrand cemetery

Stakeholder engagement in Table Mountain National Park

There has been improvement in strengthening of various partnerships and engagements with stakeholders and public representatives around Table Mountain National Park. One example included engagement, by means of an external facilitator, with the Solomon Square community in Oceanview and other key stakeholders to develop a sustainable and mutually beneficial solution regarding the way forward for this community. In addition, the Tokai-Cecilia Management Framework review has commenced with a number of meetings scheduled, led by a project team from SANParks. Furthermore, the Heads of Agreement with City of Cape Town is currently under review. At a broader scale, following various meetings, the Minister of the Department of Forestry, Fisheries and the Environment established Task Teams, which continue to meet. In addition to task teams, the Park Forum is being re-established.

"SANParks week" – Waterberg Wave Radio Station live from Marakele National Park

As part of Marakele National Park activities for SANParks week, children from three local crèches were transported to the park. An exhibition was also set up to showcase artwork from the local schools using recycled material. Due to COVID-19 restrictions, the park ensured that people unable to physically visit the park still formed part of the programme. This was achieved by having Waterberg Wave Local Radio Station broadcast live from the park and share experiences and interviews with listeners.

Dinosaur Interpretation Centre

Golden Gate Highlands National Park is best known for its geological, geomorphological and palaeontological heritage. Its diverse geology is divided into five formations, consisting of four sedimentary formations (Tarkastad, Molteno, Elliot and Clarens) and one igneous formation (Drakensberg) that date back to 195-210 million years. The Elliot formation is particularly rich in dinosaur fossils. The discovery of dinosaur fossil eggs with foetal skeletons dating back to the Late Triassic period (200-230 million years ago) made the park a place of global palaeontological interest. The park is nearing the final completion stages of a Dinosaur Interpretation Centre that will celebrate the rich fossil heritage of the region. Exhibits are expected to be completed in late 2021.

Dinosaur Interpretation Centre in Golden Gate Highlands National Park

Discovery of ancient hominin trackways in Garden Route National Park

Three new Pleistocene hominin track sites have been identified on the Cape south coast of South Africa, one in the Wilderness section of Garden Route National Park and two in the Goukamma Nature Reserve, probably dating to Marine Isotope Stage 5. As a result, southern Africa now boasts six hominin track sites, which are collectively the oldest sites in the world that are attributed to Homo sapiens. The tracks were registered on dune surfaces, now preserved in aeolianites. Tracks of varying size are present at two sites, indicating the presence of more than one track maker and raising the possibility of family groups. A total of 18 tracks were recorded at the Wilderness sites. This discovery contributes to what remains a sparse global hominin track record.

New tourism products

Kranshoek zipline, run by SA Forest Adventures, was launched in September 2020 and opened to the public. This is a significant boost for the Harkerville area within the Knysna section of Garden Route National Park.

Zipline in the Knysna section of Garden Route NP

The Tsitsikamma Big Tree Gateway precinct development was completed in December 2019 and includes new walkways as well as a coffee and curio shop. The Minister of Tourism officially launched the project in September 2020.

Tsitsikamma Big Tree Gateway opened by the Minister of Tourism, Hon Minister Mmamoloko Kubayi-Ngubane

3.1.2 OPERATIONAL REPORT: KRUGER NATIONAL PARK

Mr. Gareth Coleman
MANAGING EXECUTIVE:
KRUGER NATIONAL PARK
RESTRUCTURING

Regional integration

The Greater Kruger Strategic Development Programme (GKSDP) was completed in September 2020, after a consultation process of 18 months. The primary goal of the GKSDP is to provide a landscape partnership framework in support of conservation-compatible land use outcomes, which can be adapted by different protected areas relevant to their context. The GKSDP strives to secure a Greater Kruger where natural resources are used responsibly and sustainably; conservation areas are secure; wildlife is safe and thriving and local people derive benefit from conservation areas. The GKSDP seeks to promote conservation as a key driver of responsible rural economic development, making the explicit case for protected areas as a critical land use impacting on, and being interrelated with, the diverse socio-ecological landscape within which it is embedded.

Critically, the GKSDP builds on existing partnerships, and attempts to strengthen them by improving and aligning elements of the supporting and enabling environment at various nested levels from the operational implementation/ cluster level to provincial and national political levels. The GKSDP recognises Traditional authorities and rural communities as central to the partnership approach, the critical role of District and Local municipalities and meaningful participation in the District Services model, unlocking private-public- community partnerships, and strengthening research and knowledge transfer within the GKSDP networks. The GKSDP has been aligned to deliver on the National Development Plan (NDP), the MTSF, Provincial Development Strategies and the District Coordination Services Delivery Model.

A range of products have been developed across 28 anchor programmes, with several sub-programmes and projects embedded within these. The GKSDP is already in implementation, and was recently approved by Mpumalanga Province Executive Council. All projects and programmes are managed and implemented at a cluster level, guided by a stakeholder charter and sustainable planning processes.

The GKSDP implementation plan was presented to the People and Parks structures, Community forums, Traditional authority structures and Greater Kruger Protected Area network. A total of R 1.54 billion is already invested in the programme, through the existing partner programme.

KNP Management Imbizo 3 - 7 August 2020

Greater Limpopo Transfrontier Conservation Areas Cooperative Agreement

During December 2018, 14 conservation and protected areas open to the Kruger National Park signed the GLTFCA Cooperative Agreement, which seeks to provide a uniform framework for the management, regularisation and inclusion of more conservation areas into the open Greater Kruger footprint. The GLTFCA cooperative agreement work plan progress was evaluated in the year under review, through a METT review for each area and by reviewing progress of the Joint Operational Committee.

Game Rangers Association of Africa (GRAA) conducted the METT reviews through support of the Global Environmental Facility Protected Area Programme (GEF-PA). Progress in the year included development of the Greater Kruger Protected Area toolkit, a consistent framework for the management of protected areas in the open system, development of the Greater Kruger Socio-economic impact assessment report, and establishment of Joint Operational Committee clusters for areas open to the Kruger National Park.

KNP Land matter programme

The KNP Land matter work plan was approved by Park Planning and KNP MANCO committees, and includes land inclusion, biodiversity economy and stewardship projects. Good progress was made with the Gidjana-Bevhula biodiversity economy and land inclusion project. An overview and discussion on the Greater Kruger Land Programme and Stewardship was presented on 10 December 2020, with attendance by DFFE, DALLRD, LEDET, MTPA, SANBI, PPF, GLTFCA, Conservation Outcomes, Conservation International, and Kruger to Canyons Biosphere Region, EWT and WWF Nedbank Green Trust.

The programme has been presented at several Land Reform and Stewardship, and SANBI Stewardship platforms during the past year, and pro forma guidelines for broader applications have been developed.

These guidelines should guide consistent application in the Greater Kruger footprint and include Preferential Access Agreement (to regulate preferential access to KNP), Traversing Agreement (applied to any traversing associated with preferential access to KNP), Servitude Agreement (to regulate servitude arrangements that need formalisation), Co-operation Agreements (for partnerships with community structures and for technical co-operative partnerships with NGO's and other institutions), Biodiversity Agreement (to formalise co-operation and collaboration with regard to biodiversity stewardship approaches), Municipal Agreement (to formalise co-operative partnerships with municipalities) and a Multi-sector Agreement (to formalise co-operative partnerships between multiple sectors).

Global Environmental Facility Protected Area Programme (GEF-6)

The programme seeks to strengthen community capacity to reduce the rate of illegal wildlife trade. The four year partnership programme is funded by the Global Environment Facility (GEF) through United Nations Environment Programme, implemented by SANParks, PPF, SAWC, SUSTENTO and DFFE, in collaboration with the MTPA, LEDET, Sabi Sand Wildtuin, WWF Khetha EWT and Community structures.

A GEF-6 Steering Committee, and three Cluster Task Teams within "hot spot" areas bordering the KNP have been established, each with a terms of reference. The programme includes training of 79 environmental monitors and community liaisons as part of the KNP Integrated Fence programme, appointment of a GEF-6 Coordinator and supervisors, extensive engagement with community structures and protected area partners. The programme seeks to strengthen livelihoods, train environmental monitors as part of a workplace development process over three years, strengthen governance and restorative justice practices in communities to reduce wildlife crime, and address concerns such as human-wildlife conflict. The programme will continue until end 2024.

Youth training in February 2021

Integrated water resource management

The South African Weather Service predicted potential impact of Cyclone Eloise with intense rainfall across the lowveld region and possible evacuation of low-lying settlements in far north-east South Africa, including rest camps within KNP in January 2021. KNP attended daily National Joint Flood sessions, was represented on river operations forums, provided forecasts and river hydrological condition early warnings and media feedback as required. Cyclone Eloise resulted in all rivers throughout KNP flooding, with Shingwedzi Camp evacuated as a precautionary measure and Skukuza and Lower Sabie camps on flood alert. Although significant, the flood flows were not as severe in KNP as in previous cyclonic events, possibly due to lower antecedent moisture conditions in the catchments prior to Eloise, rapid movement of Cyclone Eloise across South Africa, spatially variable rainfall impact across KNP and variable timing of tributary inflows to major river systems.

Due to good rains received throughout the region, most dams have fully recovered with the result that irrigation and domestic/industrial restrictions have been lifted for the first time in over six years. The Letaba system is the exception, with restrictions dropped from 70% to 55% due to the lower operating capacity of Tzaneen Dam (dam wall raising project). Good summer rains resulted in rivers performing satisfactorily in terms of their environmental water requirements (ecological reserve) after late winter/early spring 2020 compliance challenges in the Letaba, Olifants and Crocodile Rivers. Flows in the Luvuvhu and Sabie Rivers were augmented by releases from Nandoni and Inyaka Dams respectively. An investigation was also launched into unlawful abstractions in the Olifants River and releases were made from De Hoop Dam to supply downstream users.

Work began in earnest on projects funded by USAID in the Limpopo Basin and included geophysical surveys of the Limpopo and Luvuvhu River flood plain in Pafuri with the University of Venda. This contributes to freshwater understanding within the Makuleke Contractual National Park. Other related projects include trophic level assessment of the Makuleke Ramsar Wetlands with a team led by University of Mpumalanga.

Restoring river connectivity in the Kruger National Park: Demolition of Mingerhout Dam

As part of a long-standing and ongoing initiative to remove redundant man-made structures in KNP, the demolition of Mingerhout Dam was undertaken in January/February 2021. The programme aims to address ecological problems associated with artificial water provision in areas of KNP where water did not naturally occur, restore river connectivity within drainage lines for the benefits of biodiversity and remove redundant man-made structures and rehabilitate wilderness areas.

Many artificial water point structures in KNP are made of concrete and demolition by conventional methods is extremely costly and time-consuming. KNP therefore teamed up with the South African National Defence Force (SANDF) who demolish identified structures with the use of explosives. This has created a mutually beneficial partnership since 2001, where the SANDF uses dam demolition exercises for training purposes and KNP achieves wilderness, biodiversity and rehabilitation objectives (Figure).

Demolition of Mingerhout Dam

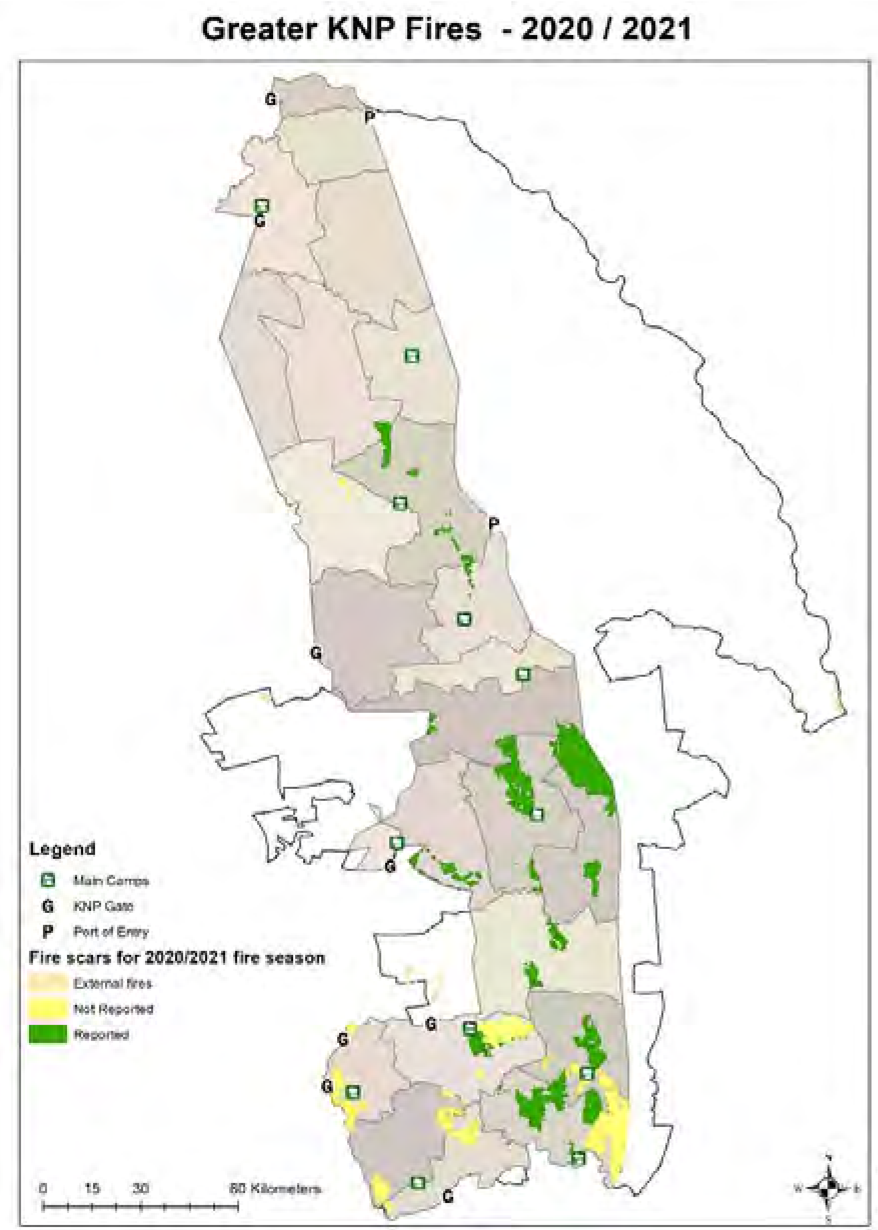
A crucial component of restoration is the successful removal of rubble and landscape rehabilitation around demolition sites. Here another mutually beneficial partnership with the Expanded Public Works Programme through SANParks' Biodiversity Social Projects enables job creation opportunities for neighbouring communities and artisan training through the public purse. Beneficiaries are contracted to clear the site by hand, sorting and recycling rubble for use in other projects such as stabilization of gullies, land filling and infrastructure construction in KNP.

Tercia Strydom explaining Kruger's fire management and research to a media group

Ecological veld burning

Prescribed burning in the KNP is conducted to achieve ecological objectives such as improving forage quality and quantity, reduction of bush encroachment and to reduce the fire risk. Fire targets for KNP and the fire management zones (FMZ) are calculated on the previous two years' rainfall and fuel accumulation. For the 2020/2021 fire season approximately 92 000 ha or 5% of the KNP was scheduled to be burnt. A total of approximately 121 000 ha or 6.3% of KNP was burnt.

Prescribed veld burning in Kruger National Park



Distribution on KNP fire scars for the 2020/2021 fire season.

Fire risk reduction in KNP

Build-up of grass in rest camps, due to grazing exclusion, high rainfall and irregular fuel removal through slashing or burning, increases fire risk in certain camps. To reduce this risk controlled burns, to remove moribund and dead vegetation that has accumulated over time, were conducted at various rest camps while COVID-19 lockdowns restricted visitor access to the KNP. In Mopani Restcamp controlled burns were conducted on 13 May 2020 and provided an excellent opportunity for camp staff to work together with conservation staff through the burning campign. This enabled training, learning, skills development and exposure to managing fires in a camp situation for all participants.

KNP Medicinal Plant Programme

KNP managers also deal with poaching of flora, specifically plants of medicinal value. At the Skukuza Indigenous Plant Nursery, Meurel Baloyi and her staff are making great strides in reducing the poaching of wild medicinal plant populations by working with traditional healers along the western boundary of KNP and providing access to alternative medical plant material.

KNP's Warburgia salutaris or pepper-bark tree conservation programme has seen more than 30 000 medicinal plants donated to traditional healers and communities along the park's borders in a bid to ensure their sustainability and to minimize the impact of poaching from the wild. The pepper-bark tree, called xibhaha in Xitsonga, is used for treatment of colds, respiratory ailments, fever, malaria, coughs and abdominal pain, among many other ailments. The programme objectives are twofold: to save the species and to enable opportunities for people to use the plants, and in so doing to create value. In most cases, traditional healers buy the products that they cannot harvest in their immediate vicinity from markets. This programme therefore hopes to provide enough locally grown plant material to reduce pressure on wild populations.

The success of this programme is due to ongoing collaboration between KNP and key partners, namely Agricultural Research Council, South African National Biodiversity Institute (Mpumalanga), SAPPI, SANParks Honorary rangers and a farm in KwaZulu-Natal. All partners play a role, from buying equipment, covering workshop expenses, seed collection, to propagation of seed so that seedlings can be donated. This programme has given access to alternative pepper-bark tissue material to many people has resulted in the expansion of this model to other species including the sought-after wild ginger medicinal plant.

Meurel Baloyi, Skukuza Plant Nursery Manager

EPWP worker

Expanded Public Works programme

The Expanded Public Works Programme (EPWP) is implemented through Biodiversity Social Projects (BSP) in KNP and consists of the Working for Water, Working for Ecosystems, Working for Wetlands and Environmental and Tourism Monitor projects. Like many other KNP programmes that were initially adversely effected by the lockdown regulations the BSP programme was able to achieve their 2020/2021 ecological (alien invasive clearing, ecosystem and wetland rehabilitation) and social responsibility targets. This was mainly due to the additional stimulus funding that was received from government. It must be acknowledged and commended that during the Level 5 lockdown more than 60 of the BSP armed environmental monitors and field guards provided essential support to the KNP rangers and continued working and patrolling in the field. The remainder of the monitors returned to work during Level 4/3 lockdown whilst contractors and beneficiaries were in field once all COVID training and regulations were observed.

Wildlife management

Elephants

Elephant population growth varies considerably from year to year, but on average is approximately 4% per year. Areas with long histories of high elephant density show signs of density-dependent effects. Currently, overall, distribution and density patterns are homogenising. Implementation of Elephant Management in KNP focuses on maintaining resource gradients in elephant habitats through fire, water and fence management policies. A key element is the development and implementation of new concepts of "zones of increased vigilance".

SANParks managed to secure funding from USAID/WWF-SA for the rhino and elephant aerial census for KNP in 2020. A sample block counting survey method was employed with a 60% coverage in the Marula region and 40% in the Nxanatseni regions. SANParks surveyed identified areas of concern as well as sample blocks and now have a robust sample-based approach that allowed correction of the Kruger time series of elephant estimates. The trends indicate substantial movements between Kruger and adjacent areas. The current estimate for elephants in KNP that considers various factors that influence counts is 31 527 (95% CI: 31 085-31 976).

Rhino and rhino poaching

The relentless rhino poaching onslaught for the past 10 years has caused the rhino population in the KNP to decline from about 10 000 animals in 2008 to about 2 800 animals currently. The bulk of the rhino currently occur in the southern KNP and it is this last core population that is now facing severe pressure.

The continued and relentless pressure on the KNP rhino population from poachers had a negative effect with the rhino population in Kruger NP continuing to decline and is now at its lowest level since 2010. Surveys during 2020 estimated 202 (margin of error 15%) black rhinos and 2 607 (error 5%) white rhinos living in Kruger NP. Prolonged drought effects of preceding years, additional calves lost when cows are poached and low birth rates in the past year resulted in births being lower than the combined natural and poaching deaths.

The COVID hard lockdown that restricted movement of people resulted in a near 80% decline in the number of rhino poached carcasses compared to the predictions of year-on-year trends during the months that South Africa had a hard lockdown. Poaching soared after the easing of lockdown restrictions which allowed greater free movement of people. The KNP ranger corps continued diligently with their work through all the lockdown levels. For the 2020 calendar year the KNP lost 245 rhino to poaching. This is below the maximum target or 250 that was set and significantly less than the 329 rhino that were lost in 2019. To halt the declining rhino population trend the poaching figures will, however, have to be brought down to about 150 or less per year.

Certain sections in the core rhino area experienced a drastic upsurge in rhino poaching from December 2020 to February 2021. Part of the response involved management dehorning about 130 rhino (mostly cows) during March 2021 and poaching declined significantly in these areas. The activity that goes with a dehorning exercise also serves to disrupt poaching activities in an area. Dehorning is, however, a costly exercise with costs of between R10 000 – R15 000 per animal.

Currently, KNP management is trying to improve rhino conservation and security operations by implementing a layered security plan, greater sharing of responsibilities across departments, moving rangers to share the responsibility and alleviate stresses associated with rhino protection, dealing with integrity challenges amongst staff, strategic dehorning, rhino habitat management and investigating a range of detection technologies including radar, vehicle number plate recognition cameras and specialised night-time aerial surveillance cameras. This plan, which includes a process to try and manage to staff integrity will take time to implement and the impact after implementation may only be effectively assessed within 18 and 24 months.

Predators

Lions in Kruger benefited from prey increases during recent droughts. Even so, the western boundary of far-northern Kruger recently experienced an increase in lion poaching. Lion poisoning remains a key local threat to populations in Kruger National Park. An intensive survey into the lion population in far-northern KNP revealed a total of only nine lions. Rangers previously reported several prides in the area. While it is likely that some prides, or remnants of prides, are still present, lion densities appear low even in areas with concentrated prey during the dry season. Illegal activities are disrupting lion dynamics, perhaps significantly in the Punda Maria and Pafuri sections. SANParks together with Limpopo National Park, Endangered Wildlife Trust and SANParks Rangers have launched a joint effort to monitor lion movements. Four lionesses and one adult male were fitted with satellite transmitters.

Wild dogs in Kruger are doing well with a minimum of 380 now comprising the population. The population increased substantially in recent years and one outcome is that such success also results in wild dogs that use large spaces often venturing beyond the Park's boundaries. These excursions inadvertently expose wild dogs to many threats and in particular to snares. Intensive monitoring and research in collaboration with the Endangered Wildlife Trust and the Max Planck Institute helps initiatives in collaboration with the State Veterinarians that focus on removing snares from wild dogs.

Snaring and Poisoning

During the COVID-19 restrictions and various lockdown levels in 2020 an increase in snaring and poisoning of animals were noticed. This was likely a response of hunger and desperation from certain people, but there also seemed to be some commercial interests in selling the meat and products obtained. For example, a buffalo carcass was poisoned and this resulted in the deaths of one side-striped jackal, one Tawney eagle, one crocodile, two Bateleur eagles and 71 White-backed vultures. The Endangered Wildlife Trust again assisted with training of rangers to manage poisoning incidents and the SAPS was involved in investigating the source of the poison used.

To address the perceived increase in snaring, a workshop was held on 8 October 2020 with various internal stakeholders to assess the scale of the problem and discuss prevention methods, reaction and response and removal of snares. The SANParks Honorary Rangers assisted with a number of snare removal campaigns throughout the KNP.

Food support to neighbouring communities

The nationwide lockdown that started in March 2020 has resulted in huge losses of income for the many families living in and around the National Parks, some of which are dependent on the Park operations and activities brought by tourists. SANParks took a decision from a humanitarian perspective to assist the most vulnerable of its neighbours, including land claims beneficiaries, school feeding schemes and communities where there already is a detectable national park footprint. This assistance was in the form of providing food parcels, JoJo tanks for water, hygiene products and awareness materials.

In the KNP there was also a concern that these food shortages could lead to an increase of illegal harvesting of biological resources, forcing authorities and rangers having to respond to these "illegal activities". Such a response would come at a cost to relations between the national park and its neighbours. Subsistence poaching using snares has increased in areas close to the boundary, believed to be driven by local food insecurity and job losses.

With this is mind the KNP food security programme is in direct response to the impacts of COVID-19 on our neighbours. A total of 5 355 food parcels and 80 x 5 000 liter JoJo water tanks were delivered to poor and needy people from communities bordering the KNP during the hard lockdown period.

Instant porridge was made available through funds provided by the Oak Foundation and CFAM and about 500 bags of 5kg instant porridge were donated as well as about 2 700 kg of game meat made available through the Skukuza abattoir from the KNP game removal project. These food donations were very well received by the needy people from the neighbouring communities and contributed to forging better relations between KNP and its neighbours.

Delivery of food donations to communities during the Covid-19 pandemic

Food parcel handover at Mdluli Tribal Authority – 24 April, 23 May and 5 June 2020

Tourism Operations

In April 2020, all tourists were evacuated from the entire Kruger National Park (KNP) in accordance with national lockdown caused by the COVID-19 global pandemic. The lockdown caused KNP to remain closed for the entire April and May 2020. During the hard lockdown, animals inhabited the camps due to the absence of human activity with some species causing damage to infrastructure.

Elephant visits Skukuza golf course during national lockdown

Limited self-drive day trips by intra-provincial visitors were allowed from 8 June 2020, with overnight leisure accommodation and inter-provincial travel allowed again from mid-August 2020. Camps were prepared according to all COVID-19 protocols when lockdown was eased to level 3, and COVID-19 protocols were introduced to welcome guests back. .

1st guests back at Satara

Guests arrived back and stayed at the new Skukuza Safari Lodge

Staff receiving training on COVID-19 protocols in terms of housekeeping

Preparing camps to open again

The Protea Cricket Team stayed at Skukuza Safari Lodge in August 2020

Shalati Train on the bridge opened to guests on 14 December 2020

The overall tourism indicators for the period under review reflect negative growth, compounded by ongoing travel restrictions on international visitors. The KNP had 830 392 visitors entering its gates, a decline of -54.7% against last financial year's recorded visitors of 1 833 061. Of the total visitors, 242 747 were Black visitors to KNP whilst 225 709 was the total number of Black day visitors.

KNP Unit Occupancy decreased by 48.4%, from 78% to 29.6%

The enforced low occupancy period was capitalised on for improvements and renovations to tourism infrastructure, including tents, bungalows, ablution blocks and swimming pools. This programme is ongoing throughout KNP to improve on customer service and ensure that upgrades meet the demands raised by customers.

Renovations at Lower Sabie

Repairs to burnt out shop at Letaba

In January 2021 Cyclone Eloise contributed to the already negatively affected KNP Tourism Operations. Some camps had to be evacuated and guests transferred to nearby camps to limit risk. The bridge leading to Sirheni Bushveld Camp was washed away three times. However, fortunately, there were no injuries or widespread damage to infrastructure except to some low-lying bridges and game-viewing hides. Experienced KNP Disaster Management teams monitored the situation and kept everyone informed of developments, which helped to calm tourists and residents of KNP.

Sirheni Bridge washed away

A number of infrastructure fires in the KNP also contributed to the challenging year: lightning caused a fire in Pretoriuskop on 15 April 2020; a fire broke out at 20h00 in Letaba Rest Camp on 9 September 2020 completely destroying the tourist shop; while on 14 September 2020 a fire broke out on the roof of the restaurant in Berg-en-Dal, but was contained.

Letaba tourist shop burned out

Repairs to bridge damaged by flood waters

Events and Stakeholder Engagement programmes

World Ranger Day, 31 July 2020

Kruger National Park celebrated a low-key World Ranger Day event on 31 July 2020 to pay tribute to the ranger corps, to reflect on the courage and sacrifice of rangers on a daily basis, to celebrate rangers who are bravely in the forefront of protecting wildlife and to support rangers' families in memory of loved ones who died in the line of duty. The event was hosted at the Rangers Monument at the Kruger Gate, led by the CEO of SANParks, Mr. Fundisile Mketeni, and the Managing Executive of KNP, Mr. Gareth Coleman.

Persons with disabilities programme, 4 November 2020

The Communications and Marketing Department in conjunction with Department of Social Development, Mpumalanga, hosted the persons with disabilities programme for communities bordering KNP. The programme aims to promote access to all South African persons with mobility, visual and hearing disabilities, providing a touch, smell and feel wildlife experience. Visitors with mobility challenges were taken for a game drive using vehicles equipped for wheelchairs and visually impaired guests were taken on a braille trail. This event was in celebration of the annual International Day of People Living with Disabilities and was attended by 30 guests.

Chief Nyongane and Mass Cattle Graves Heritage Sites launch, 17 November 2020

The annual SANParks week programme, hosted from 16 - 20 November 2020, is designed to afford South African day visitors free access into national parks under the theme 'know your national parks'. KNP recorded 14 407 guests who entered the park as day visitors during the period 16 – 20 November 2020.

On 17 November, KNP hosted various stakeholders to a launch of new heritage sites: Chief Nyongane Monument and the Mass Cattle Grave. Development of the heritage site was made possible by Gerhard Kotze of SANParks' Honorary Rangers. The launch event was attended by 43 external guests, including Mr. Chisizwe Elliot Mkhabela (83) who represented the chief's family and had worked at Pretoriuskop in the 1960s as Executive Chef. The site was launched to form part of cultural heritage sites which reveal the history of people who stayed and worked in the park many years ago.

Shikuvati Mkhabela, commonly known as Chief Nyongane, and his family lived in what is now the KNP in the 1920s and 30s and was forcefully removed and his livestock destroyed. The Chief, born in the late 1800s, lived and farmed land near the Albasini Road close to Mestel Dam. He was a livestock breeder and farmer and his cows produced milk for the oldest camp restaurant in KNP, Pretoriuskop. He was also a reputable councillor and adviser for KNPs first game wardens, James Stevenson-Hamilton and Harry Wolhuter.

Campaign Nxanatseni: 16 days of activism for no violence against women and children, 23 – 27 November and 30 November – 3 December 2020

KNP commemorated the 16 days of activism for no violence against women and children in support of the United Nations campaign triggered by the Montreal Massacre in Canada. This sparked movements across the globe to raise awareness, stimulate advocacy efforts, share knowledge and innovation for fighting violence against women and children. South Africa launched its first campaign in 1999 joining the international community in the fight against gender-based violence. In support of this campaign, KNP hosted various workshops throughout the park in an effort to create more awareness and educate staff. The workshops are coordinated and supported by GBV Commissioners from both Limpopo and Mpumalanga.

KNP hosted 81 journalists in 38 media events, which included quarterly media excursions, outside broadcasts and live cross-overs. Themes for these events focused on diverse conservation issues as well as the park closing and/or reopening due to COVID-19, anti-poaching efforts, tourism month, SANParks Week and tropical cyclone Eloise. Stations and print media which had prominent broadcasts, cross overs and articles included eNCA, Rise FM, SABC Munghana, Lonene FM, SABC TV/radio news, SABC Morning Live, Citizen, Netwerk24/Beeld, Newshorn TV and newspaper, Newzroom Afrika, Kyknet (Prontuit), R-FM, Malamulele FM, Lowveld Media, News24 and Bulletin Far North.

KNP handled 48 media enquiries and stood at 98% positive and neutral media reputation rating at the end of March 2021. There were a few spikes now and then; but generally KNP and SANParks as a whole enjoyed balanced reporting from the media.

Launch of the Chief Nyongane Heritage Site including the Mass Cattle Grave – 17 November 2020

Persons with disabilities programme, 4 November 2020

ENCA's Crime Investigation programme visits KNP for an insert – 7 to 9 March 2021

Munghana Lonene FM live broadcast
21 - 23 September 2020

Media Excursion – 17-18 November 2021

World Ranger Day at Kruger Gate – 31 July 2020

Outside broadcasts with eNCA and
Rise FM – 20 to 23 August 2020

Special Projects Programmes

Expanded Public Works Programme

The Expanded Public Works Programme (EPWP) was able to provide much-needed support and temporary employment to people from neighbouring communities to National Parks during the hard nationwide lockdown in an effort to curb the spread of the COVID-19 pandemic. It has to be noted that during this period the Department of Forestry, Fisheries and the Environment (DFFE) reduced the Natural Resource Management budget to 35% of the initial allocation, impacting on the number of job opportunities that could be supported. However, approval of funds to the value of R193 million from the Presidential Employment Stimulus (PES) Fund assisted in supplementing the shortfall in the EPWP programme, resulting in the employment of 11 721 participants. This translated to 1.1 million person days worked resulting to a converted 4 740 Full Time Equivalent (FTE) jobs. The programme also supported 690 small, micro and medium enterprises (SMMEs) and paid R159 million to these small contractors for the various activities performed. All SMMEs and EPWP participants were paid during the hard lockdown period (March to July 2020), with work in most projects only resuming in August 2020 after ensuring compliance with COVID-19 regulations and health and safety requirements. During this period the EPWP programme employed 6 927 youth (62%); 5 844 (5252 %) and 271 people with disabilities.

The EPWP projects implemented during the past year were funded by the Department of Forestry, Fisheries and the Environment, National Department of Tourism (NDT) and Presidential Employment Stimulus Fund. The Working for Water, Working for Ecosystems and Working for Wetlands programmes continued with land rehabilitation in all national parks, and achieved initial rehabilitation of 7 880 ha and follow-up rehabilitation of 78 600 ha of land, including the removal of alien invasive vegetation. Rehabilitation structures of 5 862 m³ were built to support the functioning of 13 wetlands.

EPWP projects have deliverables aligned to the programme objectives, and contribute to biodiversity and infrastructure management in all National Parks, including the following:

- Alien invasive vegetation clearing
- Land rehabilitation which includes erosion and control of bush encroachment controls
- Wetland rehabilitation
- Cleaning of beaches and rehabilitation of coastal systems and tourism infrastructure
- Conservation management support through the Environmental Monitor Programme
- Tourism operations and activities support through the Tourism Monitor Programme
- Infrastructure maintenance through the NDT Infrastructure Maintenance Programme and PES Funds
- Manufacturing of school desks and other furniture by harvesting and wet milling of alien invasive trees

Working for Ecosystems – Removal of dam wall, KNP

Working for the coast beach clean-up Wilderness

Houses built at Beervlei & Farleigh Villages, Wilderness Section of Garden Route National Park

Table 1: Overview of EPWP programmes and achievements implemented in 2020/21

EPWP programme	Activities	Implementation Overview	Deliverables Achieved
DFFE Working for the Coast	Cleaning of beaches, rehabilitation of coastal systems and tourism infrastructure	Work continued in the eight coastal parks - Namaqua, West Coast, Table Mountain, Agulhas, Wilderness, Tsitsikamma, Knysna and Addo with the main activity being beach clean-up of 394 km of coastline.	Beach clean-up = 15 590 km
DFFE Environmental Monitors	Support to conservation functions in parks, buffer zones, provincial nature reserves and private nature reserves	SANParks Environmental Monitor Programme Implementation continued with year two of the three year cycle. The EMs contributed to conservation management in all national parks, performing ranger, administration and research support services	561 EMs employed
		Environmental Monitor: Inland Cluster Coordination Programme SANParks is implementing this programme on behalf of DFFE. The 2019/20 project was suspended in August 2020. A new project was started and secured the jobs of the EMs employed in this project until November 2021.	723 EMs employed
DFFE People and Parks	Infrastructure development and improving integrity of protected areas	The Mokala and Tsitsikamma projects achieved all job creation deliverables, and are implementing the final two construction projects. The business plan revision of Ais! Ais! Richtersveld was not completed. The Mpumalanga Tourism and Parks Agency's (MTPA's) Bushbuckridge Nature Reserve project is in process on being closed, and the fence project is not completed due to continued acts of vandalism & theft.	Upgrade of Tsitsikamma Oceanettes = 22% progress Tender for Mokala houses & Lilydale Entrance Gate awarded MTPA Project
DFFE Working for Water	Clearing of invasive alien vegetation	Alien invasive vegetation clearing projects were implemented in most national parks. The budget of the programme was severely reduced, and the focus was to do follow-up rehabilitation to secure previous interventions.	Initial alien invasive clearing = 6 089 ha Follow-up alien invasive clearing = 74 609 ha

Table 1: Overview of EPWP programmes and achievements implemented in 2020/21 (cont)

EPWP programme	Activities	Implementation Overview	Deliverables Achieved
DFFE Working for Ecosystems	Land rehabilitation projects and bush encroachment control	This programme was implemented in all National Parks and Kruger to Canyons (K2C) and included various land rehabilitation activities, such as erosion control, removal of redundant structures (dam walls) and bush encroachment.	Initial land rehabilitation = 1 598 ha Follow-up land rehabilitation = 3 678 ha
DFFE Working for Wetlands	Rehabilitation of wetland systems	Rehabilitation activities took place on 13 wetland sites in Mapungubwe, Marakele, Golden Gate, Agulhas, Kruger and Table Mountain with interventions including gabions, earth works, rock packs and geo-cells constructed.	Wetland rehabilitation 5 862 m^3
DFFE Eco-Furniture Programme	Manufacturing of school desks and furniture from alien vegetation	The seven factories continued harvesting, wet mill and dry mill operations to produce mainly school desk timber products, timber, planks and other furniture items.	Manufactured 28 100 school desk sets
DFFE Working on Fire and High Altitude Teams	Fire prevention and control in national parks, and removal of alien vegetation from inaccessible mountain areas and cliffs	Eight firefighting bases continued to operate in the Table Mountain, Mapungubwe, Marakele, Golden Gate, Wilderness, Tsitsikamma, and Knysna & Addo. High Altitude Teams clearing alien vegetation were deployed in the Table Mountain, Garden Route and Camdeboo National Parks.	Initial alien invasive clearing = 193 ha Follow-up alien invasive clearing = 313 ha

Table 1: Overview of EPWP programmes and achievements implemented in 2020/21 (cont)

EPWP programme	Activities	Implementation Overview	Deliverables Achieved
NDT Social Responsibility Programme	Development of tourism infrastructure and maintenance of infrastructure	Implementation of the Dinosaur Interpretive Centre in Golden Gate EPWP -, Tsitsikamma Big Tree EPWP - and Addo Extension of Rest Camp projects continued with the employment of SMMEs to assist with labour only maintenance works in the parks. The tender for the Agulhas Lighthouse Precinct development was evaluated, the heritage impact assessment for the Mapungubwe Youth Facility was finalised and planning for the Addo units finalised to allow the EIA to proceed.	Terrain rehabilitation, and maintenance work in Golden Gate, Tsitsikamma and Addo.
		Implementation of the SANParks Infrastructure Maintenance Programme progressed to where 59 of the planned 60 small contractors were appointed. The SMMEs in KNP started working in November 2020, while the rest of the parks started in 2019.	312 buildings maintained 358 units painted - internal 172 units painted - external 224 km of roads maintained 518 km of road verges cleared 204 km of fences maintained
NDT Tourism Monitors	Employment of especially youth to support tourism functions	The Tourism Monitors assisted with various tourism-related functions in the parks, and the accredited training of these participants has started.	325 tms employed
Presidential Employment Stimulus Fund	Infrastructure upgrade & maintenance	Funding became available in November 2020, and all parks received an allocation to do small maintenance and renovation works, while the implementation of the green energy programme continued. As part of job creation, 38 SMMEs were employed in all National Parks (excl. KNP). KNP selected to use the funds to attend to 89 staff accommodation units.	89 staff units (KNP) 160 small renovation works (Parks) 71 solar water heaters installed LED globes installed

Table 2: Social deliverables of EPWP programmes for 2020/21

Programme	No of People	Person Days	FTE	Training	SMMEs	Amount paid to SMMEs ('000)	Expenditure Actual ('000)
Planned 2020/21	6 549	880 297	4 285	28 928	618	R 107 691	R 494 878
DFFE Environmental Protection and Infrastructure Programme							
Working for the Coast	974	96 508	420	2 231	72	R21.270	R26.098
Environmental Monitors: SANParks	561	120 332	523	10	-	R0.000	R30.528
Environmental Monitors: Inland Cluster Coordination 2019/20	723	72 899	317	-	-	R0.000	R22.090
Environmental Monitors: Inland Cluster Coordination 2020/21		56 515	246	-	-	R0.000	R10.781
People & Parks	-	-	-		-	R0.000	R5.789
PES: Infrastructure	560	31 588	137	78	38	R8.391	R45.938
Sub-Total	**2 818**	**377 842**	**1 643**	**2 319**	**110**	**R29.661**	**R141.223**
DFFE Natural Resource Management Programme							
Working for Water	4 275	281 920	1 226	12 589	250	R52.435	R95.563
Working for Ecosystems	1 518	100 831	438	4 409	100	R20.062	R24.845
TMNP Tahr project			-				R0.405
K2C	381	29 047	126	820	25	R5.053	R7.514
Sub-Total	6 174	411 798	1 790	17 818	375	R77.550	R128.327
Working for Wetlands	543	29 793	130	2 315	64	R8.340	R11.240
Total: DEFF NRMP	6 717	441 591	1 920	20 133	439	R85.890	R139.567
Eco-Furniture Programme	1 066	96 212	418	4 166	69	R20.879	R67.930
Sub-Total	**1 066**	**96 212**	**418**	**4 166**	**69**	**R20.879**	**67.930**
NDT Social Responsibility							
Tourism Monitors	325	62 962	274	843	0	R 0.000	R 11.120
GGHNP EPWP Dinosaur Centre	59	11 246	49	-	5	R 2.573	R 2.575

Table 2: Social deliverables of EPWP programmes for 2020/21 (cont)

Programme	No of People	Person Days	FTE	Training	SMMEs	Amount paid to SMMEs ('000)	Expenditure Actual ('000)
Tsitsikamma Big Tree Project	30	4 329	19	-	3	R 0.758	R 0.813
Addo Extension Rest Camp	55	10 986	48	102	5	R 2.076	R 2.967
SANParks Infrastructure Maintenance	587	67 720	294	550	59	R 17.470	R 21.645
Sub-Total	**1 056**	**157 243**	**684**	**4 655**	**72**	**R22.877**	**R39.120**
TOTAL	**11 657**	**1 072 888**	**4 665**	**31 273**	**690**	**R159.307**	**R387.841**
Working on Fire (Host arrangement)							
WoF: High Altitude Team	64	17 623	77	-	-	R 0	R 0
Sub-Total	**64**	**17 623**	**77**	**-**	**-**	**R 0**	**R 0**
GRAND TOTAL	**11 721**	**1 090 511**	**4 741**	**31 273**	**690**	**R159.307**	**R387.841**
Percentage	**179%**	**124%**	**111%**	**108%**	**133%**	**148%**	**78%**

Infrastructure Programme

The infrastructure investment allocation for 2020/21 was R114.71 million but had to be redirected to the operational budget due to challenges brought by the COVID-19 pandemic. However, during November 2020 SANParks received R110 million from the Presidential Employment Stimulus Fund for infrastructure maintenance and upgrades which assisted in delivering of the Infrastructure Programme in the reporting period. Expenditure of R115 million was achieved in the Infrastructure Programme during this challenging year with all the COVID-19 restrictions and regulations. The appointment of 32 renovation contractors in Kruger National Park from the Mpumalanga Department of Public Works panel was a positive initiative to continue with tourism, staff accommodation and bulk services upgrades in the park. The verification of all above-ground infrastructure and condition assessments started in August 2020, and will be finalised by September 2021 and a five year maintenance plan will be developed.

Construction of the Dinosaur Interpretive Centre in Golden Gate Highlands National Park fell further behind, was before completion. The upgrade of roads in the Cape of Good Hope section, as well as the upgrade of Boulders Visitor Centre in Table Mountain National Park were completed succesfully. The construction of 17 staff houses destroyed by fire at Beervlei and Farleigh in the Wilderness Section of Garden Route National Park progressed well, while the Tsitsikamma Oceannettes upgrade, Marakele entrance gate and office extension and as well as the Kimberley Game Capture bulk services infrastructure are close to completion. Construction of Dawid Kruiper Rest Camp and Craig Lockhardt camp sites in Kgalagadi will start in April 2021. The tenders for the Tsitsikamma Restaurant Precinct, Agulhas Lighthouse Precinct and Addo Sewer Plant are in the evaluation process.

A draft Green Energy Strategy and implementation plan were developed, while additional funds were used to continue with the roll-out of solar water heaters, LED globe replacements and small PV installations.

3.1.3 CONSERVATION SERVICES DIVISION

Dr. Luthando Dziba
MANAGING EXECUTIVE:
CONSERVATION SERVICES

The year under consideration was unusual, with large parts of the year affected by various levels of the nationwide lockdown restrictions associated with the global COVID-19 pandemic. The restrictions in movement and economic activity did not only affect SANParks' tourism income, but also the ability for staff to do fieldwork, to travel to parks and and the general conducting of various monitoring actions proved to be a challenge. As such, despite the challenges experienced and the associated restrictions which affected operations, we are particularly proud of this year's achievements, which are testament to the fact that the year under consideration was not a wasted year, but a year where dedicated staff continued, despite the challenges and restrictions, to contribute towards the mandate of SANParks.

This report for the Conservation Services Division addresses three strategic organisational objectives:

- SO 1: Improved contribution to a growing national and global conservation estate
- SO 2: Effectively managed ecosystems, species and cultural heritage resources across biomes
- SO 3: Sustainably utilised biological resources for fair and equitable sharing of benefits.

In addition, it reflects on lessons learned during the COVID-19 pandemic to create an opportunity for a positive change.

IMPROVED CONTRIBUTION TO A GROWING NATIONAL AND GLOBAL CONSERVATION ESTATE

SANParks contributes to implementation of the National Development Plan (NDP) and the Sustainable Development Goals (SDG's). South Africa targets protection of 13.2% of the country's land area and 5% of its ocean Economic Exclusive Zone. This is enabled through growing the national conservation estate representing the biodiversity, landscapes, seascapes and associated cultural heritage assets of the country as well as by enhancing regional-related conservation linkages.

SANParks is responsible for improving the national and global protected area network through effective and efficient expansion mechanisms that promote national ecological and climate change resilience. The design and implementation of integrated land-use strategies and conservation development frameworks contributes to the conservation of natural resources in the face of an ever growing and competing demand for land. The identification of land for expansion of National Parks is guided by the National Protected Area Expansion Strategy (2016) as well as site level biodiversity, cultural heritage, social and economic criteria.

Park expansion and consolidation

During the past financial year SANParks added 6 424 ha of land to the national parks system. In Namaqua National Park the properties Zoutpan and Roodekol were purchased by World Wildlife Fund-SA with funding from the Leslie Hill Succulent Karoo Trust, adding 3 515 ha to the park. In addition, the 2 546 ha property Hartebeesbult was purchased through the Department of Forestry, Fisheries and the Environment's (DFFE) Land Acquisition Grant for inclusion into Marakele National Park. One property of 363 ha was donated through a court order for inclusion in the Addo Elephant National Park.

SANParks has made steady progress towards the establishment of the proposed new national park in the grasslands of the north-eastern Eastern Cape with a strong focus on private and community owned land. Activities focused on expanded stakeholder engagement, exploring innovative conservation finance options and initiation of detailed biological field surveys in partnership with SANBI. Funding from the National Parks Trust of SA and the World Wildlife Fund-SA was secured towards the start-up activities of the new park.

This new protected area will significantly improve protection of the grassland biome in a national conservation priority area for climate change adaptation and protection of ecological infrastructure for water security in the Eastern Cape Drakensberg Strategic Water Source Area. It aims to establish an ecologically, economically and socially sustainable protected area within the region through an innovative combination of landscape management, finance and protected area mechanisms and development options. SANParks is collaborating closely with DFFE, Eastern Cape Department of Economic Development and Environmental Affairs, Eastern Cape Parks and Tourism Agency, district and local municipalities and World Wildlife Fund-SA towards planning and establishment of this new park.

Bioregional integration

SANParks leads the five-year Global Environmental Facility fifth cycle (GEF-5) funded project to (i) expand representation of global important habitats by 197 000 ha; (ii) improve management effectiveness on 1 100 000 ha through integrated management planning, monitoring, evaluation and improved bufferzone interventions; and (iii) ensure financial sustainability of the protected area estate through reducing costs of expansion and improving cost efficiencies within protected area management agencies. The project has achieved 95% of its activities, expended 99.5% of its annual workplan and applied for a six month COVID-19-related no-cost extension.

The project seeks to support the financial viability of protected area expansion and management, looking at both the institutional and park levels. To this end, innovative financing mechanisms being investigated and implemented include the application of fiscal incentive Section 37 D of the Income Tax Act to support private and community land owners whose land is eligible for declaration as part of National Parks. Ongoing feasibility studies include a Biodiversity Offsets financing and habitat banking mechanism to direct offset resources more effectively into protected area expansion and a Green Bond instrument to leverage debt finance whilst ensuring green impacts are achieved for investors.

Business cases are being developed to unlock the value associated with protected areas. Cases include ongoing investment into the ecological infrastructure of the Vhembe Region in northern greater Kruger; communities practicing conservation compatible land use in park buffer areas; and development of the Skukuza Abattoir into a facility driving game meat beneficiation opportunities across the Greater Kruger landscape. At an institutional level, the project is championing the use of a Financial Score Card tool to develop sustainable financing and resource mobilising strategies, also supporting DFFE and the UNDP BIOFIN project to roll out the approach nationally to other provincial protected area management authorities.

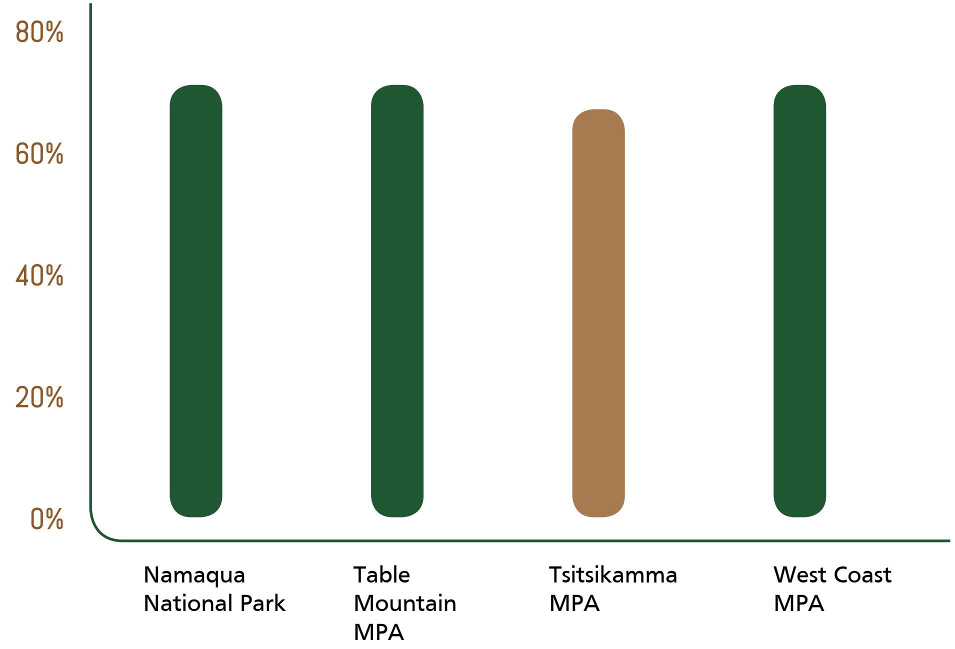
The relationship between financial viability and positive economic impact, and the need to enhance both simultaneously, has been central to the project throughout. An economic model and annual report template was developed for the Greater Kruger Protected Area Network that will provide a means to quantify and communicate the economic impact of the protected area network in a transparent manner year on year.

The Greater Kruger Strategic Development Framework (GKSDP) sets out to leverage resources across sectors and stakeholders and implement a suite of landscape anchor projects demonstrating the potential of conservation as a catalyst for economic development. The GKSDP was co-developed by all stakeholders over three years of intense engagement, in line with government's District Delivery Model, and has been endorsed at local and national government levels. The project is now investing in supply chain management in KNP to strategically structure supply chain opportunities for local SMMEs.

SANParks has initiated a review of strategic and operational opportunities and constraints in relation to Park Buffer Zones and TFCA programmes. The review seeks to identify the key Buffer Zone and TFCA interventions required to support our National Parks' objectives and long-term outcomes. The assessment is guided by the Park Management Plans and related frameworks and guidelines such as the National Buffer Zone, World Heritage Sites and Marine Frameworks, and seeks to identify the strategic and operational priorities and interventions required to better support the park objectives.

Protected Area evaluation

METT-SA 3 is a South African tool, based on a global standard, to measure the effectiveness of Protected Area Management, primarily in terms of the extent to which it protects the values and achieves the goals and objectives of the protected area. Four METT assessments were completed during 2020/21, namely Namaqua National Park (which scored 66% during the previous assessment) and baseline assessments for three Marine Protected Areas (Table Mountain, Tsitsikamma and West Coast) and all performed above 67% (see below figure):



Park Planning and Management Plans

SANParks aims to strengthen the management of aquatic systems, including Marine Protected Areas and estuaries, which historically have lagged behind their terrestrial counterparts. Recent changes in legislation governing estuaries and the declaration of 20 new MPAs, of which SANParks manages three, of the new declared MPAs has prompted a more focused approach to develop management plans specifically focused on these systems as legally required. SANParks' guideline for the development of such plans has been produced; and focus will be on estuaries in the Garden Route National Park, the newly declared Addo Elephant National Park, Namaqua National Park and Robben Island MPAs.

The Park Management Plans for Agulhas and Golden Gate Highlands National Parks were approved by the Minister in December 2020. However, due to COVID-19 impacts on stakeholder engagement, no additional plans have been revised during 2020/21. Instead, a strategic review of SANParks' approach to development, implementation and evaluation of Park Management Plans was initiated in June 2020, supported by the GEF 5 Protected Area project. This included exploration of alignment and synergy between various planning, implementation and reporting tools across the organisation.

Strategic Adaptive Management, together with relevant legislation, has provided a framework for development, revision, implementation and evaluation of park management plans for the past 10 years. The process for the development/revision of park management plans in particular has evolved to a high level of sophistication and has become largely standardised, while implementation and evaluation processes are more variable. The review has highlighted gaps and exposed valuable lessons. Evaluation should provide feedback to update or adapt national and corporate policy (adaptive governance), the vision and objectives of a specific park (adaptive planning), and management actions, monitoring programmes and research agendas (adaptive implementation) on an ongoing basis. Nevertheless, these implicit and explicit feedbacks are highly variable, with some areas requiring strengthening. Furthermore, monitoring and evaluation of park management plan implementation and alignment and integration with other organisational planning and assessment tools also requires attention. This latter finding is already being addressed through development of a tool to monitor the implementation of park management plans.

A major project within the Park Planning and Development Unit is the improvement of land administration within SANParks. Several components are receiving attention, namely verification of property information, sourcing of documentation (such as title deeds, surveyor general diagrams, contracts), development of a web-mapping application with a dash board interface, and thereafter migration of the property information to the web mapping application.

Cultural heritage management

Cultural heritage surveys and assessments were carried out in Garden Route, Kruger and Table Mountain National Parks, focused on documenting heritage sites and heritage objects. This included updating of sites and collections databases, verification of GPS locations of sites, assessment of the conservation state of different sites and objects as well as recommendations for their preservation. Buildings and structures older than 60 years were assessed and reported on in terms of Section 34 of the National Heritage Resources Act. In addition, cultural heritage management plans were developed for all three parks whilst a collection management plan was developed for Garden Route National Park. A list of national heritage status justification was produced containing specific sites in the three parks. A Generally Recognised Accounting Practice 103 (GRAP 103) valuation report was produced for the same parks.

Management of collections has continued at facilities that hold major collections in Kruger and Mapungubwe National Parks, while with many SANParks collections remaining under custodianship of third party museums and universities.

In Mapungubwe National Park, a project aimed at improving interpretation at the Mapungubwe Interpretation Centre has commenced, with completion expected during the course of 2021. The new exhibition will feature perspectives of various communities that are culturally associated with the Mapungubwe World Heritage Site. The new exhibition. It will also be more visually stimulating and visitor friendly with improved use of visuals and reduction of text.

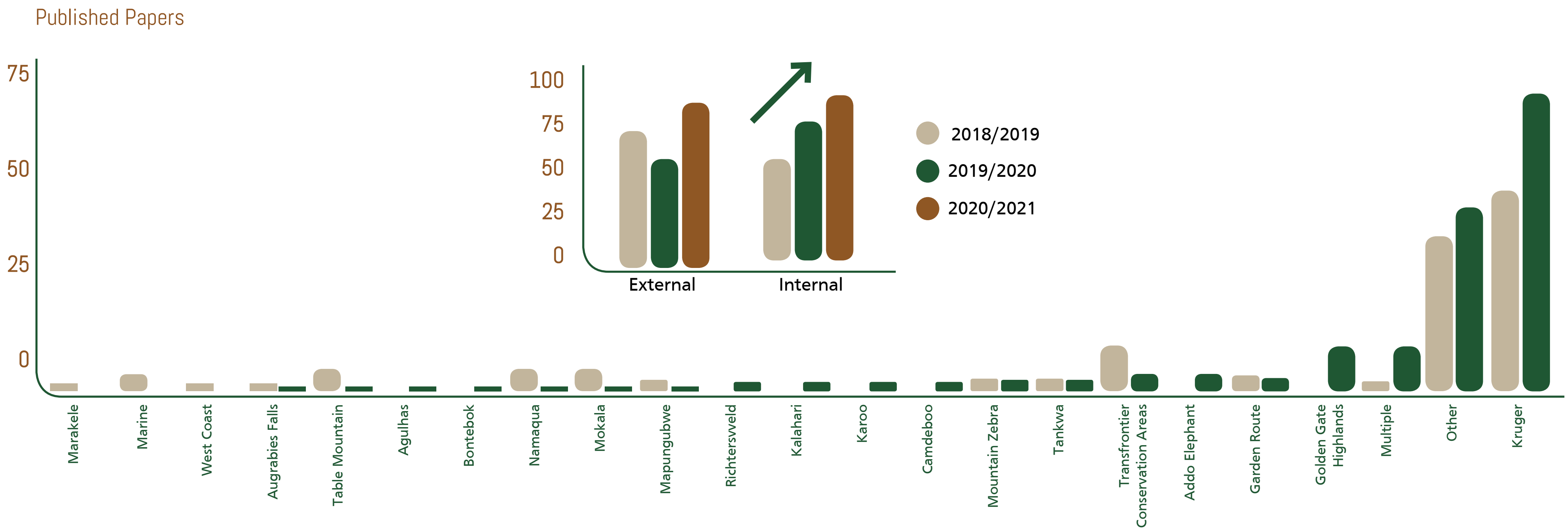
In Kruger National Park, a memorial was constructed at the grave of Chief Nyongane as part of honouring, profiling and promoting heritage associated with indigenous people who lived in the park. Adjacent to the memorial is a mass cattle grave where a plaque was erected to commemorate the mass killing of cattle without compensation under the guise of disease control. Rabelais Hut in the Kruger National Park has also been renovated and exhibitions upgraded. An interpretive facility has been constructed at Mount Tshikumbu and is currently awaiting installation of exhibits.

The annual national heritage monitoring of the Mapungubwe Cultural Landscape was undertaken with officials from the South African Heritage Resources Agency (SAHRA). This monitoring assists SANParks in its state of conservation reporting to UNESCO on world heritage matters. SAHRA permits have been secured for rehabilitation and conservation work at key archaeological sites in Mapungubwe. Permits have also been secured for implementation of measures that minimise damage of rock art sites by animals. Dust suppression measures will also be implemented in preparation of opening rock art sites to the public. Rock art site management plans were developed for Kruger in preparation for opening up various sites for tourism.

Knowledge for decision-making

Research and monitoring:

A total of 176 articles and book chapters were published by both internal SANParks staff and external researchers (sometimes in partnership) for the year in the period from April 2020 until end March 2021. This is an increase from the 135 papers published last year, and one can speculate whether that may be partly attributed to increased time to write due to COVID-19 associated lockdown restrictions. The number of publications with SANParks staff as lead or co-author increased from 77 in 2019/2020 to 93 in 2020/2021 (lead author on 29; co-author on 64 papers).



During the past year SANParks staff presented either oral presentations or posters at only a small number of national and international conferences. Many conferences like the Savanna Science Networking Meeting and Garden Route Interfacing Meeting were cancelled due to COVID-19. Nevertheless, contributions were made at 23 webinars with the Cape Research Centre organising two webinar series during the year.

Leveraging science by attracting, coordinating and supporting research:

Together with researchers from universities and other organisations, research is conducted across national parks to produce reliable and relevant information that contributes to the responsible management and conservation of South Africa's biodiversity assets. As the number of scientific staff employed by SANParks is too few to meet all the research needs across parks, collaboration with external partners is vital for knowledge generation. Of the current 240 registered research projects across parks, 82% are considered essential and/or important to SANParks' key knowledge needs, aligning with the 11 research themes identified in the SANParks Research Strategy. Dominant themes addressed were ecosystem structure, function and process followed by global environmental change. Although Kruger National Park (26%) and Garden Route National Park (22%) attracted most registered research projects, it was encouraging that almost one quarter of projects were registered across multiple national parks, allowing for broader insights and comparative studies.

Capacity development

Four postgraduate degrees were awarded during the year: marine scientist Cloverley Lawrence received her PhD in Biological Sciences from the University of Cape Town for her work in understanding the ecology of seagrass that forms productive habitats in many estuaries; social-ecological scientist Louise Swemmer was awarded her PhD through the University of the Witwatersrand, investigating ways of enhancing societal relevance (meaning and value) of protected areas through benefit sharing at a local level; junior scientist Nelsiwe Mpapane obtained her MSc from Nelson Mandela University focusing on understanding non-material benefits that tourists experience from interacting with nature in Mountain Zebra National Park, and Tebogo Manamela, veterinary technologist, graduated with a Master's Degree with her thesis "Isolation and characterization of immunoglobulins from Panthera leo in Southern Africa".

Contribution to the advancement of science:

SANParks continues to be represented as a lead author on the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services' (IPBES) thematic assessment of invasive Alien Species (IAS) and their control. The assessment provides a synthesis of past and future trends in the spread, pathways and distribution of IAS; direct and indirect drivers responsible for introduction, spread, abundance and dynamics of IAS; environmental, economic and social impact of IAS; effectiveness of past and current programmes and tools for prevention and management of IAS. In addition, it will present options for global awareness-raising and information-sharing and suggest policy options for handling complex intersectoral trade-offs.

SPECIES AND ECOSYSTEM CONSERVATION AND MANAGEMENT

Local and global drivers of change, including COVID-19, pose threats to ecosystems, ecological processes and species in the different parks and their surrounds. SANParks focuses on addressing the various risks associated with these, recognising parks' contributions to social-ecological sustainability and human well-being. Ecological processes that can be directly influenced by management actions are predation and herbivory (key food-web interactions), connectivity (enabling land and sea-scape linkages that facilitate variability over space and time) and succession (allowing ecosystems to recover from perturbations). SANParks thus aims to maintain, restore or mimic ecological processes.

Herbivores and herbivory

Elephants

Elephant management in Kruger National Park focuses on maintaining resource gradients through fire, water and fence management policies, together with 'zones of increased vigilance'. During 2020, a robust sample-based approach was developed which corrects the time series of elephant estimates, indicating substantial movements between Kruger and adjacent areas. Even so, analyses highlight that density-dependent mechanisms are playing out on elephant population growth in areas within Kruger that have a history of high elephant densities although movements of elephants mask these mechanisms. Informing elephant management in Kruger and the GLTFCA requires such integrated understanding of elephant populations and how they use landscapes.

SANParks uses an adaptive management approach based on many years of field experimentation and formal learning. In Marakele National Park the time scale of ecological influences of elephants became apparent at the Tlopi Forest where considerable elephant impact was observed in the past, but which is now negligible. Key drivers of potential future forest loss associate with alluvial soils and upstream activities that influence stream flow regimes through the forest patch. These reflections on elephant management are critical given likely future policy revisions of the national Norms and Standards for Elephant Management which currently do not accommodate implications of key lessons learned by SANParks.

Elephant management in Addo Elephant National Park focuses on creating gradients of intensity of use, by establishing a water availability gradient, and administration of immuno-contraception across three sections of the park to reduce birth rates and thus slow down population growth. Elephant contraception started in 2013 in the Nyathi Section of the park to test the efficiency of the immuno-contraception vaccine and to re-establish energetic requirements present in larger systems, which is hypothesised to override the variable use of the landscape by elephant cows. Only three calves have been born in Nyathi since 2013, while in the The Main Camp/Colchester elephant population was included into the contraception programme in 2019 as part of a suite of interventions to generate patchy landscape use and slow down elephant population growth. The elephant population in the Darlington Section was also included in the contraception programme in 2020 to manage and mimic longer birth intervals for this new population. Booster vaccines are administered annually in these three sections.

Rhinos

Given the ongoing decline of rhino in KNP, and the SANParks rhino strategy coming to an end in 2020, an assessment of previous interventions was required (over the last 10 years) and to get consensus on the way forward to attempt to reverse the declining population trend. A record of the workshop was compiled by WWF and informs the development of a rhino implementation plan for KNP. A further rhino workshop in March 2021 aimed to determine current shortfalls in monitoring data and co-develop monitoring and feedback systems to allow for information flow and exchange between responsible departments in KNP was held.

Accounting for rhinos focused on establishing a population model that accounts for the trends in black and white rhino populations in KNP considering several accumulating influences. The model uses rhino estimates, history of rhino removals, recruitment rates, death rates associated with natural and unknown causes, and poaching rates. In addition, the model accounts for imperfect carcass detection to define fatalities associated with various causes, as well as including the estimated loss of dependent calves associated with the death of an adult cow. The model effectively explains 93% of the trends in white rhinos and 82% of the trends in black rhinos since SANParks white and black rhino were introduced to the park in 1961 and 1971 respectively. Further, the models predicted 2020 numbers for both species that fell within the 95% confidence intervals of population estimates derived from the 2020 population surveys in Kruger.

The results of the 2020 rhino surveys highlight continued declines in populations of both (south-western black and southern white) species despite an almost 80% decline in poached carcasses for the hard lockdown months in South Africa compared to year-on-year predicted trends for the same months. Hard lockdown resulted in complete enforcement of rules that reduced opportunities for unlawful activities. Nevertheless, poaching soared after the easing of lockdown restrictions.

In the Frontier Parks, black rhino monitoring continues in Mountain Zebra and Karoo National Parks through camera traps, dedicated rhino monitors and field rangers recording sightings. Aerial support using a small fixed-winged aircraft is also used for rhino monitoring in Karoo National Park. In Addo Elephant National Park two dedicated rhino monitors, funded by the Rhino Impact Bond programme, conduct monitoring using camera traps, aerial surveys and ground surveys. In addition, two dedicated rhino notching exercises in Addo Elephant National Park during the year resulted in a total of 35 notched rhino. In Mokala National Park, population estimates and trends of south-western black and southern white rhinoceros were determined by aerial census, augmented by ear notching, camera trapping and direct observations by rangers.

Predators and predation

Terrestrial predators

Management of lions in small parks included various actions to mimic natural processes of immigration, emigration, births and deaths in free-ranging populations. Other actions include monitoring, downloading and updating collar data for Addo Elephant, Karoo and Mountain Zebra National Parks, as well as re-collaring certain animals in all three parks. Dynamics of lions in small parks adhere to all the predictions associated with breakdown of group living in the absence of roaming strange males and/or other lion prides. Reduced territorial and cub defense behaviour against strange males results in female lions that are mostly on their own, catching their own prey items and leading to higher overall predation pressure. In addition, females maintain body condition easily leading to higher cub survival and ultimately rapid population growth. Lions in the Karoo remained a focus following discussions at a stakeholder meeting facilitated by Agriculture Western Cape. Since then, SANParks initiated an immediate reduction of lions. The case has initiated SANParks' review of introduction of large and dangerous predators, recognising trade-offs between conservation value gains against conservation and stakeholder risks.

Kruger's livestock compensation programme (see infographic below) aims to offset direct damages incurred to livestock owners as a result of large predators escaping from the park as well as building, and in some cases rebuilding, connections and meaningful relationships between neighbouring communities and KNP. Compensation is complicated, working best when combined with a range of tools that address drivers of human-wildlife conflict such as responsible animal husbandry. The KNP programme includes a co-designed set of criteria for compensation of livestock loss that is monitored, carefully managed, and requires constant engagement, reflection and adaption, by community representatives and the park. Unfortunately not all claims qualify for payment, and rejected claims may result in disappointment and tension. However, using open and regular communication through community forums, the knowledge of the required processes to lodge successful claims is growing. Research by Anthony & Swemmer (2015) has highlighted the significance to farmers that SANParks acknowledges their moral responsibility to manage this process since, legally, predators outside KNP are deemed *res nullius* and are the responsibility of provincial conservation agencies despite the fact that they most likely originated from the park.

Interesting cheetah behaviour was observed in Mountain Zebra National Park after lions killed the only breeding female in 2020 while her two nine month old cubs escaped. Due to the endangered status of cheetah and shortage of females within the national cheetah metapopulation, SANParks relocated the cubs to a boma for six weeks before collaring and releasing them back into the park. Supplementary feeding proved unnecessary as the cubs joined up with the male who sired them (i.e. their father) a week after release and he is teaching them to hunt. This is unusual cheetah behaviour as fathers normally have nothing to do with the rearing of cubs. The cubs will reach independence toward the end of 2021 and hopefully the female will raise her own cubs and contribute to the Mountain Zebra cheetah population that has declined in the past few years.

Marine predators

In May 2020, following public concern about declining shark populations along the South African coast, the Minister of Forestry, Fisheries and the Environment appointed an Expert Panel, including SANParks representation, to formally review South Africa's National Plan of Action for the Conservation and Management of Sharks (NPOA-Sharks). The Panel reviewed the 62 actions of the current national plan of action. They also focused on alignment with the International Plan of Action for the Conservation and Management of Sharks (IPOA-Sharks), recommendations on the overall structure, plan completeness, identification of gaps, achievability, clarity of actions and indicators and areas of general progress or lack thereof. The Panel found that the NPOA-Sharks is in line with international standards and contributes to all ten goals of the IPOA-Sharks. It made five recommendations to clarify and prioritise actions and include measurable indicators to be taken forward in the next plan. External experts commended the hard work South Africa has undertaken so far. The external review process of NPOA-Sharks as a unique example of accountability and transparency.

Research on sharks within SANParks-managed water is ongoing. One study, in conjunction with UCT used national citizen-science tagging data to investigate the occurrence, movements and growth rates of broadnose sevengill sharks (also called cowshark, *Notorynchus cepedianus*) in southern Africa. This shark is a top-order predator in temperate coastal ecosystems around the world. It reaches over 3 metres long, is a generalist predator of fishes, other sharks and seals and is often seen in the kelp forests of the Western Cape. Nevertheless, they are caught in the commercial line fishery and are popular sharks to catch for sport and recreation. The study provided foundational knowledge on the movement and growth rates of broadnose sevengill sharks in southern Africa. Evidence for high site fidelity with some migratory behaviour across all size classes highlight the need for future work using acoustic and satellite telemetry, together with environmental data, to gain a more in-depth understanding of the drivers behind the movements of this species. The slow growth of this species, coupled with high site fidelity and ongoing exploitation, emphasises the need for well-structured species-specific management plans to prevent the overexploitation of this important coastal predator.

Terrestrial ecosystems

Bush thickening is a widespread problem in South Africa whereby formally open grassy areas have seen a densification of woody plants. In 2010 SANParks initiated a large-scale high intensity fire experiment in Kruger NP to test whether bush thickening could be reversed using very hot fires. Two high intensity fires were experimentally applied in 2010 and 2013. A report has now been completed analysing what has been learnt after a decade of monitoring the vegetation response. Results suggest that, surprisingly, the high intensity experimental fires did not achieve the primary goal of reversing bush encroachment. High intensity fire has resulted in slightly more individual shrubs with significantly more stems (even though they are shorter) after 10 years. LiDAR (Light Detection and Ranging) technology has been applied quite extensively at this experimental site with surveys conducted in 2010, 2014 and 2020. Preliminary results from the 2020 LiDAR survey also seem to suggest that after a decade, there has been no reduction in woody cover.

Siphonochilis aethiopicus (wild ginger) - SANParks is collaborating with Kruger to Canyon Biosphere and Mpumalanga Tourism and Parks Agency to support local growers of wild ginger to legally sell to the commercial market. *S. aethiopicus* is a protected species, and its trade is heavily controlled, to the point where control may be contributing to its demise in the wild. To address this, we are experimenting by registering local growers as nurseries, to enable them to legally sell their plants locally and commercially. Wild ginger currently growing within the Skukuza nursery was originally sourced, around 20 years ago, from stock growing within the Kruger National Park, safeguarding its genetic potential.

Success of re-established poached cycad trees in Addo Elephant National Park

In 2015, 48 plant individuals of *Encephalartos lehmannii* (Karoo cycad) and *Encephalartos longifolius* (Thunberg's cycad or Zuurberg cycad) illegally obtained from a farm adjacent to the Darlington section of Addo Elephant National Park were confiscated. After confiscation, plants were treated for injuries, diseases and replanted in less than two weeks, providing a first field study in translocation of cycads for South Africa. *Encephalartos lehmannii* individuals were planted in Addo Elephant NP gardens and most of the *Encephalartos longifolius* were replanted in the Zuurberg section of Addo. Replanted individuals were regularly monitored to determine survival rate and condition. Half of the cycad individuals planted in the gardens were in an excellent healthy condition with leaves present, 16.7% of them were dormant (still standing with stem and crown still firm) and could possibly survive while 33.3% died. In Zuurberg, of the 30 cycad individuals that were replanted, 26.6% were in an excellent and healthy condition bearing leaves, 27% were dormant and could possibly survive, while 53.2% died. Fire triggered at least five individuals in Zuurberg to produce new leaves. Although a 100% success rate was not achieved, the results were much better than expected by cycad specialists, making this SANParks rescue and replanting effort a huge success. Similar methods could be applied to confiscated cycads in other conservation areas.

Freshwater ecosystems

A groundwater hydrocensus in Karoo, Mountain Zebra, Camdeboo and Addo Elephant National Parks was completed, providing baseline information on the location of borehole infrastructure, groundwater levels and water quality, and recommending future monitoring. This census will contribute to the first phase of our groundwater resources assessment and sustainable management plans for SANParks. Additionally, the information will contribute to a project coordinated by the Petroleum Agency of South Africa to develop a groundwater monitoring network in the Central Karoo in light of potential risks associated with fracking.

The Letaba River is one of five major rivers in Kruger that flows throughout the year and forms part of the larger Olifants River system within the transboundary Limpopo River Basin. Numerous physical barriers such as dams and weirs negatively impact life cycles of migratory fish as these cannot respond to environmental cues, especially small early season floods known as freshets which are cues for spawning migrations. Removal of these structures within KNP was prioritised to restore aquatic connectivity, which is particularly compromised during dry periods. Thus, during 2020, Mingerhout Dam was successfully removed, albeit during the extreme weather conditions of Cyclone Eloise. Pre- and post-removal fish and macroinvertebrate surveys were conducted to better understand the impacts of barriers on instream biodiversity.

Coastal and marine ecosystems

African penguins in decline

The African penguin *(Spheniscus demersus)* population has declined rapidly across the species' range over the past century, spurred by historical guano and egg harvesting. However, recent declines have been attributed primarily to a shortage of food around their colonies due to distributional shifts and purse-seine fishing of their main prey, namely sardine and anchovy. SANParks is custodian of ~55% of the remaining African penguin population on St Croix and Bird Islands (Addo Elephant National Park), Boulders (Table Mountain National Park) and West Coast National Park islands.

Annual counts could not be conducted at most of these colonies during 2020 due to COVID-19 restrictions. However, one full count was carried out at Boulders colony, indicating that numbers have remained relatively stable at around 1 000 breeding pairs over the last five years (attributed to the ban on fishing of small pelagic fish in False Bay). A population estimate for St Croix Island, on the other hand, indicates a continued decline, with loss of ~3 600 breeding pairs between 2017 and 2020. Trends on the West Coast up to 2019 indicate that penguins will stop breeding there altogether in the next few years if food availability remains scarce and the species is predicted to be functionally extinct by 2035 if current trends are not reversed.

SANParks maintains that prohibiting small pelagic fishing around penguin breeding colonies is crucial to saving penguins from extinction over the long-term. Long-term island closures to fishing, encompassing at least one generation of penguin life-history, was submitted as a recommendation to DFFE highlighting SANParks concerns around the plight of African penguins. However, Fisheries Management oppose this view and advocate that such an intervention will not benefit penguins substantially. The Minister acknowledged the differences in scientific views and requested that a collective and responsible approach be sought to avoid the extinction of the African penguin, based on credible science. Thus, a Governance Forum (GF) was established in January 2021, comprising senior officials of the DFFE Branches Oceans and Coasts, Fisheries Management and SANParks, to provide a synthesis of current scientific information relating to experimental island closures and African penguin population declines. The Minister advised that the National Environmental Management Act (1998) and the enshrined principles of conservation, sustainable use and the precautionary approach should be applied in addressing this issue. The GF established a drafting team, comprised of scientists from DFFE and SANParks, to prepare the comprehensive synthesis report of the current state of knowledge relating to African Penguins. A draft report has been prepared and circulated for review and editing.

Historic harvesting of guano for fertiliser has resulted in suboptimal nesting habitat for penguins since the lack of guano in which to dig their nests exposes penguins to inclement weather and predators. A key intervention has been the testing and use of artificial nests designed to mimic the size and shape of original guano nests. SANParks, in collaboration with Dyer Island Conservation Trust, SANCCOB and the City of Cape Town, installed 50 ceramic nest boxes at the Boulders Penguin colony. One hundred similar nests were installed on Bird Island in 2018/2019, and can house one adult and two large chicks. With funding from WWF-US, SANParks scientists have purchased temperature sensors for nests in the Boulders colony to investigate microclimates within different types of nests (open, vegetated, ceramic nest boxes, fibre glass nest boxes, cement nest boxes) located at different parts of the colony to determine optimal nest conditions for successful breeding. So far, 29 sensors have been deployed across the colony, providing live updates on nest conditions.

Climate change preparedness

Climate change poses direct risk to SANParks' mandate delivery, making implementation of a Climate Change Preparedness Strategy of high priority. Key risks include compromised visitor and staff safety, threats to conservation of biodiversity and cultural heritage, socio-ecological transformation, tourism demand, park operations, infrastructure maintenance and revenue generation. Considering these risks, a first draft strategy has been developed, informed by discussions within the organisation, literature review and consideration of the US National Park Service's climate change response strategy. The strategy will be refined in the coming year to set goals within each sector of the organisation. During 2021/22, this will be widely consulted upon, and steps for its implementation planned.

Climate change vulnerability assessments

Over the past year, SANParks has embarked on an ambitious assessment of climate change vulnerability for its parks to support the development and implementation of the climate change preparedness strategy. Most previously published assessments in the international literature have focused on one aspect of climate change vulnerability, for example the vulnerability of species and ecosystems or the vulnerability of cultural history assets. While there have been some developments in the field of climate change vulnerability assessments for species, a holistic consideration of social, economic and biodiversity aspects in the context of protected areas and their future has not been attempted.

SANParks scientists first identified potential data sources and defined the scope of the assessments. The template encompasses predicted changes in climate as well as impacts on species and ecosystems, including assessments of risks posed by various extreme events, financial resilience in terms of infrastructure and tourism resilience to climate change, as well as impacts on water resources and local communities in proximity to the protected area and other regional socio-economic impacts. Tourism impact was assessed using visitor comfort indices, potential for loss of biodiversity, disease risk and impacts of bush encroachment on game viewing. While data availability varied in different areas and some of the analysis relied on observational data and qualitative assessment of risks, this study represents the most comprehensive assessment of park level climate change vulnerability to date. Five park-level climate change vulnerability assessments were completed for Agulhas, Camdeboo, Garden Route, Namaqua and Richtersveld National Parks. Each assessment includes detailed literature review, consultation with park staff and regional experts, and a collaborative report drafting process.

Climate Change Vulnerability Assessments

While broad vulnerability assessments are useful for identifying key areas for adaptation response, more nuanced assessment is required to inform fine-scale spatial planning. Climate change poses an enormous threat to protected areas, in particular because of their 'fixed-in-space' nature. A project led by SANParks scientists seeks to develop a method for fine-scale spatial analysis of climate change vulnerability using Table Mountain NP as a case study; a unique project globally. One aspect is assessing the relative climate change vulnerability of species, focused on reptiles, amphibians and plants (see photo of workshop below). A second component seeks to quantify potential climate change impacts on tourism, staff and visitor safety. Results indicate that while rain appears to keep South African visitors away, wind is not as strong a deterrent as expected (likely due to overlap in peak tourist season and strong summer south-easters).

Pre-COVID-19 workshop on reptile and amphibian climate change vulnerability in Table Mountain NP. [Photo credit: Wendy Foden]

Climate change adaptation

Assisting people to adapt to climate change is key to a sustainable future. Several projects are currently underway to assist local communities in identifying climate change vulnerabilities and to investigate adaptation options. One prominent area of work during the past year has been the investigation of dust storms in Namaqua and Richtersveld National Parks. Drought in combination with land use, high temperatures and increased wind in these areas has led to an increase in occurrence of damaging dust and sand storms. Rehabilitation is critical to preserving topsoil and facilitating the growth of plants to maintain this stability, but it is costly and not often implementable at a large scale.

The climate change team is also involved in two species-level implementation projects that seek to reduce climate change vulnerability of particular species. The first is developing an early warning system for extreme events (e.g. heat waves, cold snaps and storm surges) to assist in managing penguin colonies. The other seeks to enhance the availability of water in the landscape to birds and will be trialed in Tankwa Karoo National Park using water point shading to make these water sources more accessible to birds when the ground or well surface is too hot to perch on. Both projects are funded by WWF's Climate Innovation Fund.

Reducing greenhouse gas emissions

SANParks' Carbon Footprint and Future Emissions Reduction Report, completed in September 2020, describes the contributions of each park to the organisation's greenhouse gas emissions, including through fossil fuel usage and waste management. Findings showed that SANParks' average GHG emission is 73 732 tons of carbon dioxide equivalent (tCO2e) over five years - roughly equivalent to 160 000 barrels of oil. The largest share (55%) resulted from electricity usage, while fuel usage amounted to a further 35%. Five scenarios of future organisational response were explored and showed that SANParks will need to reduce emissions by 8% year-on-year to achieve carbon neutrality by 2050, and 40% year-on-year to reach carbon neutrality by 2030. The resulting cost-saving of ambitious cuts is significant for SANParks.

The report discusses SANParks' transition to renewable energy, acknowledging the commitment and R 100 million investment already shown, particularly through transitioning from fuel-generated (diesel) to solar-generated energy. SANParks has on average offset 5 475 tCO2e from its renewable energy base to date. The report provides valuable recommendations, including that Supply Chain Management (SCM) policy should target acquisition of greener appliances and products; implementation of a life-cycle approach to integrated waste management; embedding emissions in park management planning; that a carbon stock assessments should be carried out for parks to explore the offsets they provide. Lastly, establishing systems for ongoing emissions monitoring is needed both to track SANParks' progress in reducing greenhouse gas emissions, as well as to facilitate regular and prompt reporting on SANParks' contributions to national targets through the National Climate Change Response Database (NCCRD).

ANIMAL AND DISEASE MONITORING AND MANAGEMENT

Wildlife Management and Support

In support of rhino conservation, Veterinary Wildlife Services has been conducting research to improve immobilisation protocols for white rhinos. Early studies showed that immobilised rhino develop low oxygen and high carbon dioxide arterial blood levels which significantly increase mortality risk, especially in compromised rhino. More recent studies have shown that the potent opioids used in chemical capture of rhino not only disrupt the brain-sensors that regulate breathing and alter gaseous exchange within the lungs, they also increase metabolism which results in greater oxygen consumption and carbon dioxide production to the detriment of the rhino. It has been demonstrated that intravenous administration of butorphanol counteracts this increased metabolism, improves the amount of oxygen in the blood and lowers blood carbon dioxide levels. Butorphanol administration also allows for immobilised rhino to receive supplementary oxygen via a tube inserted into the nose to improve blood oxygen concentrations, a procedure which was previously contraindicated in immobilised rhino.

Conducting research in white rhino to improve immobilisation protocols

Novel protocols in buffalo immobilisation

A fair amount of work for Veterinary Wildlife Services is spent with buffalo immobilisations for translocations. Current state legislation prescribes that only animals free from the notifiable diseases (bovine tuberculosis, brucellosis, corridor disease, and foot and mouth disease) may be translocated within the disease free zone. This necessitates at least three immobilisation events before animals can be moved, namely initial capture and placement into holding facilities, immobilisation for taking blood samples and initiating the comparative tuberculosis intradermal or skin test and thirdly for measuring the immune reaction 72 hours after first injection.

With the breakdown of the private wildlife industry, novel protocols for immobilisation have been developed for cost savings, especially towards reducing the amount of potent opioid used for immobilisation. Traditionally an opioid is combined with a tranquiliser to create a synergistic effect that reduces total opioid dose and concurrently reduces opioid side-effects such as respiratory depression. A novel combination of opioids with the alpha-2 antagonist medetomidine allows for further reduction of total opioid dose by more than 50%. However, since alpha-2 antagonists target the same receptors as adrenaline, efficacy of the novel drug combination is reduced and less suitable for capture of free range animals. In confined spaces such as holding facilities, where animals are not stimulated before immobilisation, the new protocol has proven its value in smooth and reliable induction of immobilisation. Furthermore, the availability of an antidote for medetomidine allows for quick reversal of the drug combination after the procedure.

Disease monitoring and management

There were no significant disease events in KNP during 2021, but research focused on various disease aspects. Projects included conducting human and bovine tuberculosis surveillance in elephants (both diseases had been diagnosed in this species during the past five years). In addition, a number of journal articles were published on tuberculosis diagnostics in different species including hippo, elephant and buffalo, free-ranging warthog antibodies for diverse viral and bacterial infections (African swine fever, *Mycobacterium bovis*, foot-and-mouth disease, Rift Valley fever, Influenza A, *Brucella and Leptospira spp*), a survey on Shuni virus in wildlife.

TB or not TB - that is the question

Bovine tuberculosis (TB) is one of the four notifiable diseases monitored in buffalo in South Africa. Freedom from four diseases, namely TB, brucellosis, corridor disease and foot and mouth disease, define a buffalo's status as 'disease free', a pre-requisite for movement within the disease free zones of South Africa. With buffalo removals essential for ecological management of smaller parks, buffalo capture and testing for disease status takes up a large part of the veterinary workload.

Herd testing for tuberculosis status is done by applying the comparative intradermal skin test (i.e. inoculating animals with mycobacterial antigens and measuring localised immune reaction within 72 hours, where increased skin thickness and signs of inflammation (heat, redness, and necrosis) indicate previous exposure to a mycobacterium). Unfortunately this test is not reliable and false positive and false negative reactions occur. However, definitive TB diagnosis requires a positive culture of infected tissue, which mostly implies samples taken at post mortem examination thwarting live sales and income generation from high value game species. In the Northern Cape there is an additional conundrum, where skin reactions are sometimes not accompanied by corresponding lesions on post mortem examination and cultures remain negative for *Mycobacterium bovis* growth. There is suspicion of an immunological cross reaction from one of the multitude of mostly harmless environmental mycobacterium species readily and ubiquitously found in the soil. To better understand these inconsistent reactions, SANParks is supporting research at University of Stellenbosch, supplying samples for novel immunological blood tests towards TB diagnosis and providing nasal swabs and soil samples towards identifying a non-tuberculous mycobacterium species associated with positive reactions. This research is being done while solutions are sought for the release of buffalo that have been tested three times with different animals reacting to the TB skin test each time.

Summer sores in the plains zebra population in Addo Elephant National Park

In March 2020 increasing numbers of plains zebra (*Equus burchelli*) in Addo Elephant National Park were showing different degrees of lameness concurrent with the development of ulcerative skin lesions, predominantly on the fetlock or pastern of the legs. At the same time, body condition decreased significantly, even after veld conditions improved with the onset of rains after the extended drought period. To investigate the source of the lesions, three animals were examined post mortem and samples submitted for histopathology. The animals had a severe lack of body fat reserves in accordance with poor body condition, and increased internal parasite load in various organs. Histopathology revealed an infection with *Habronema spp*. or *Draschia spp*. in the lesions, also known as horses' stomach worm. Their life cycle depends on larval transmission via flies and larvae deposited on the skin would normally burrow into the skin, cause severe inflammation or ulceration and die off without further development. The resulting lesions are known as 'summer sores' in horses, and have been reported in zebra before, but not to the extent of an outbreak as seen last year in Addo.

With the onset of the rains, the long dormant parasite population would have thrived and rapidly increased on the wet and lush grassy plains of Addo, whereas the immunity of the zebra was impaired after their fat reserves were depleted during the long drought. Thus, some zebra struggled to cope with the explosion in parasite numbers, leading to further decrease in body condition and ultimately death from weakness or predation by lion. Horses of Zuurberg Mountain Horse Riding Trail showed the same lesions, which were successfully treated with a dewormer. This was not feasible to implement in the free-ranging zebra population, but, as expected, the lesions disappeared in May 2020 with the onset of winter and the disappearance of the intermediate host, the flies, interrupting the life cycle of the stomach worm. With continued good grazing available, zebra regained condition and immunity and no new cases have been reported.

EXTRACTIVE NATURAL RESOURCE USE AS A CONSERVATION TOOL IN NATIONAL PARKS

As an outcome of effective conservation management, SANParks endorses responsible resource use according to the organisational pillars of sustainability, namely maintenance of ecosystem integrity, economic viability and social relevance. The SANParks Resource Use Policy of 2019 guides diverse activities.

Annual resource use report to the minister

By end June each year, SANParks submits a resource use report to the Minister of DFFE, in compliance with Section 7 of the National Environmental Management: Protected Areas Act. The report summarises tangible biological resources that have been harvested in the parks including details on relevant licences, permits and agreements, a description of the quantities of resources harvested, donations made, income generated through resource sales and the international conservation status of the resources. The SANParks Resource Report for the period 1 April 2019 - 31 March 2020 was submitted in June 2020, outlining that 16 national parks recorded formalised legal resource use. Of these, 10 reported terrestrial resource use, one park reported aquatic resource use, and the remaining five parks reported both terrestrial and aquatic resource use. International live game donations included 94 plains zebra (*Equus quagga*) to restock Zinave National Park in Mozambique.

While the total value of the resource use is indeterminate, revenues from terrestrial resource sales and the estimated value of donated terrestrial resources in 2019/2020 amounts to approximately R20 million. In some parks, venison is produced by contractors as well as directly through registered facilities (e.g. Skukuza meat processing plant). This enables the generation of revenue as well as the provision of a safe form of protein to local schools and community groups in the context of more effective benefit sharing and relationship building locally. Plant donations such as the endangered pepperbark tree (*Warburgia salutaris*) and wild ginger *(Siphonochilus aethiopicus*) contribute both biodiversity and human wellbeing benefits by facilitating access to alternative sources of traditional medicine, as opposed to harvesting in the wild.

Contributions towards the wildlife economy:

The Board approved the Wildlife Economy Programme (WEP) Window 2 as recommended by the Wildlife Economy Steering Committee, for implementation over a three year period. In WEP Window 2, a total of 31 beneficiaries were successfully allocated diverse animals, totaling 3022 individual head of game. Beneficiaries are from five provinces, namely Northern Cape, Eastern Cape, North-West, Limpopo and Free State. During the year under review, a total of 530 animals were delivered to eight beneficiaries. The deliveries will continue into 2021/22 financial year.

WEP applicants also requested high value species for loans. An addendum was submitted for the Board's consideration, recommending high value species loans for nine beneficiaries, including buffalo, black rhino, white rhino and tsessebe. Deliveries of these animals will form part of WEP Window 2.

Lethal off-takes and live animal sales in smaller parks

The Wildlife Management Programme made provision for lethal animal removals from six parks for ecological reasons, namely Namaqua, Tankwa Karoo, Camdeboo, Addo Elephant, Karoo and Mokala National Parks. Service providers were awarded bids for culling operations and these were conducted successfully in five parks with 1 956 animals culled. The operations in Tankwa Karoo were cancelled as they were not cost effective for the service provider. Culling operations contributed to organisational income generation objectives.

The year under review was challenging in terms of game sales. With the restrictions on live auctions, SANParks sold animals on a virtual online auction. An online live auction was held over three days featuring 91 lots made up of a variety of species and three charity lots. Of the lots that were placed on auction, 87 were sold and only four lots were unsold. The sales were subject to permitting for all the animals, site inspections for rhino and disease testing for buffalo.

Reflections on lessons learned from COVID-19 create an opportunity for positive change

The COVID-19 pandemic forced SANParks into a reactive crisis mode for most of 2020/2021, including having to navigate operational changes in compliance with national regulations and a lack of income. In some ways, SANParks has thus far weathered this storm but ongoing longer-term and lag effects are evident and expected; e.g., some estimate that tourism in SANParks may take five years to recover to pre-COVID-19 levels. During this unprecedented time, this "large infrequent disturbance" was capitalised on as a learning opportunity, with several COVID-19-related studies providing a tapestry of variable impacts, vulnerabilities, challenges and opportunities from the level of the individual to the organsation. Studies explored individual well-being of staff during lockdown (446 colleagues from diverse functions participated in an online survey), used in-depth narrative survey to understand how scientific staff navigated the hard lockdown, and evaluated how COVID-19 impacted SANParks ecologically, socially and financially (published as part of a Special Issue on the conservation and ecological effects of COVID-19 in the international journal *Biological Conservation*).

Various lessons emerged, not only specific to COVID-19, but more generally how SANParks and society are affected by and respond to large infrequent perturbations. Thus, any disturbance (e.g. pandemic, economic crisis, social instability, natural disaster) reverberates through the entire system. If you "shake" one box in the "SANParks ecosystem" in figure 1, then all the other boxes shake as well as they are part of an interwoven web. Similarly, due to these interconnections, if any component is neglected or deteriorates (e.g. infrastructure, staff motivation), the entire system becomes vulnerable and at risk. Secondly, it became clear that SANParks must think of ways to build resilience into the organisational social-ecological system. For example, in the same way that ecological diversity enhances ecosystem resilience, diversity of funding streams would enhance organisational resilience and policy that promotes diverse workplace arrangements would enhance employee resilience.

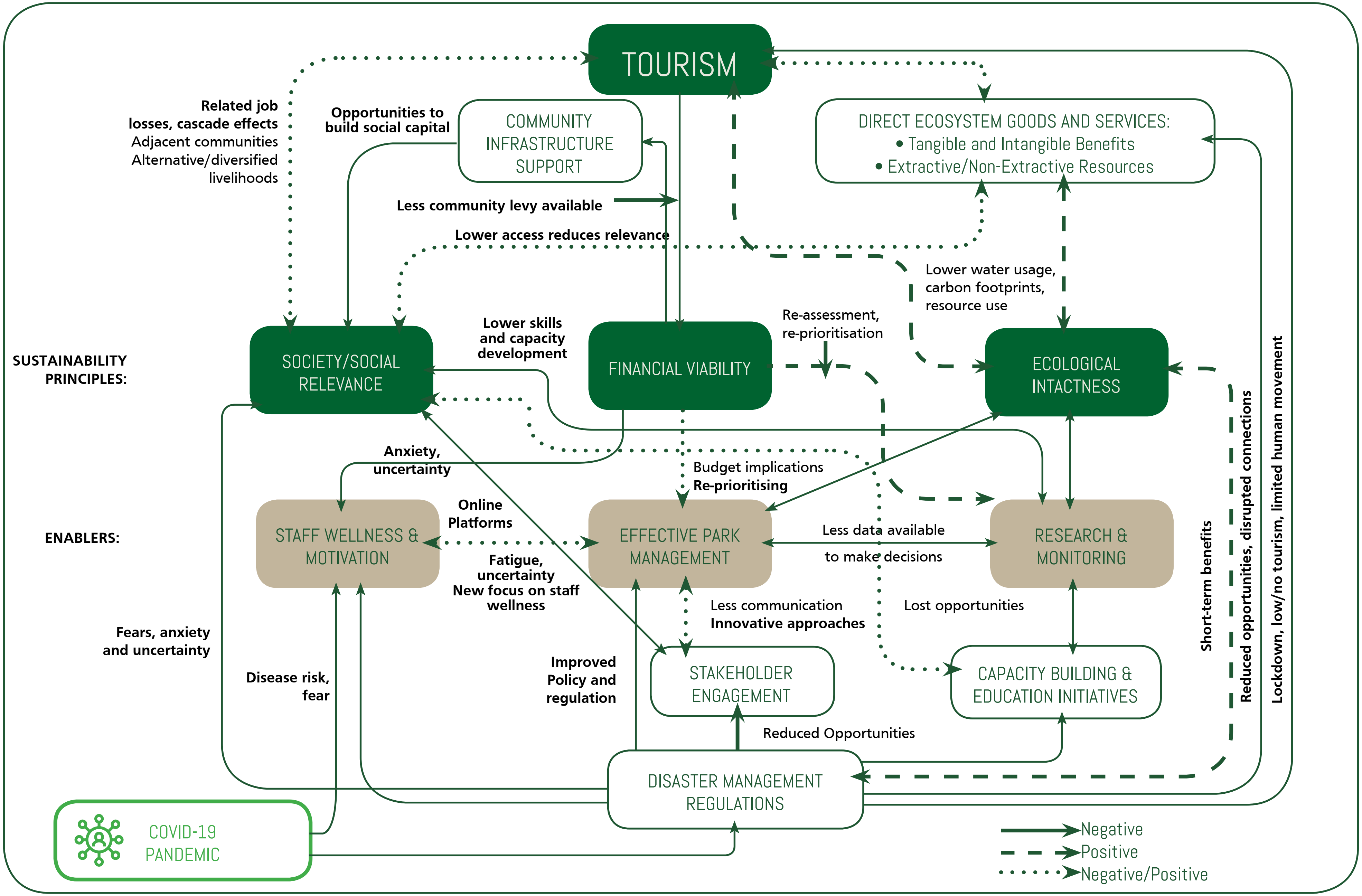
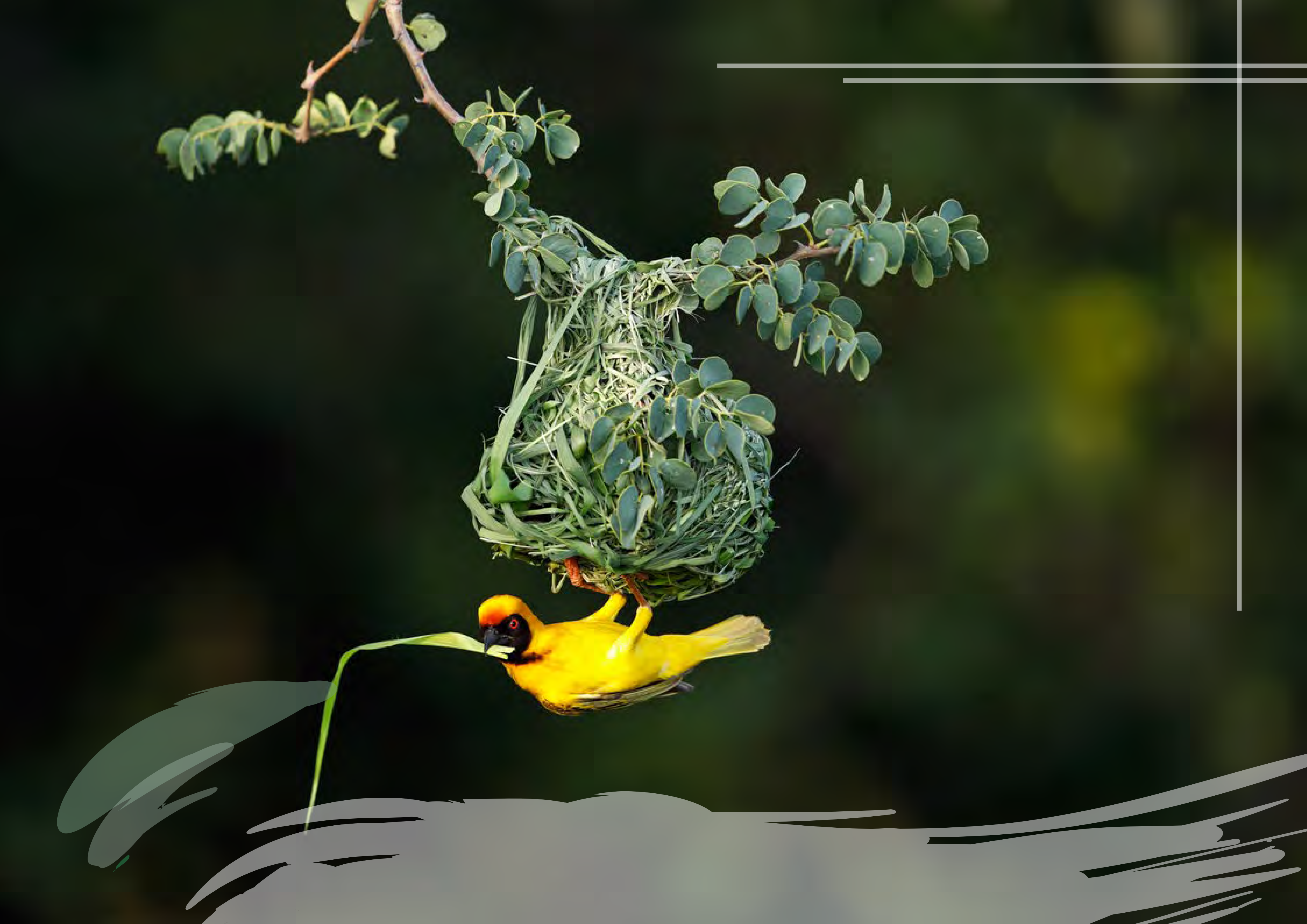


Figure 1: COVID-19 and lockdown regulations highlighted the interconnectedness of people and nature and the dependences, cascades and feedbacks between the ecological, social and financial dimensions of protected area management.



Two positive lessons emerged from SANParks' COVID-19 experience. First, crises can act as catalysts for initiatives benefitting conservation outcomes (e.g. building relationships through distribution of food parcels to vulnerable communities bordering national parks, creating local economic opportunities through employing local sewing groups in communities adjoining Kruger to make masks, and distributing these masks to traditional health practitioners). Secondly, massive organisational and societal change is possible – old ways can be changed, giving hope for tackling broader global challenges like climate change.

The lessons learned and ways in which SANParks adapted during the COVID-19 pandemic should inform practical and strategic decisions within SANParks for positive ecological (e.g., greener operations), financial (e.g., multiple income streams) and social (e.g., staff wellness, diversified benefit sharing initiatives and enhancing people-nature connections) outcomes, towards sustainability.

Health workers have been working tirelessly, for over a year to save lives. However, it's not just health workers in conventional settings that assisted with responding to COVID-19. SANParks provided approximately 3 000 Traditional Health Practitioners (THPs) living next to Kruger National Park with support through generous sponsorship from SANParks Honorary Rangers. Locally made cloth face masks, hand sanitiser and awareness material in the form of printed information brochures were provided. Furthermore, bulk-sms messages were sent to the healers via their cell phones during the peak of the pandemic. All material was translated into Tshivenda, Xitsonga, Sepedi and Siswati, the most commonly spoken languages in the area. Social networks developed through the Pepper-Bark programme enabled the effective implementation of the COVID-19 support programme, and the relationship between Kruger and the traditional healers has grown with both people and conservation benefits.

"We are so happy to get the masks, sanitiser and messages from KNP. It means that you remember us" – Traditional healer from a village adjacent to the KNP.

A traditional healer from Limpopo receiving the SANParks PPE specifically for traditional healers adjacent to Kruger NP

Mama Orlinda Ngomane, a traditional healer from Mpumalanga, greeting Dr Louise Swemmer, social ecologist, during the handing out of PPE.

During level 5 lockdown in May 2020, staff of the Cape Research Centre and Table Mountain National Park joined forces to provide food parcels to neighbouring communities, including the ex-forestry community in Tokai. Staff members donated personal funds that enabled the purchase of well-stocked food parcels to feed a family for two weeks.

Institutional Outcome / Performance for Outcome Goal 1

Indicators and/ or target removed during the mid-term reviews:

SUB-OUTCOME 8: AFRICAN RANGE STATES (8.1 & 8.2 BOTH REMOVED FOR 2020/21 DURING THE MIDTERM REVIEW)

- Number of donations agreements signed with African Range States
- Number of animals delivered to African Range States as per Ministerial approval

SUB-OUTCOME 1: PROTECTED AREAS EXPANSION ALIGNED WITH THE NATIONAL PROTECTED AREA EXPANSION STRATEGY (NPAES) AND SANPARKS LAND INCLUSION PLAN		
Output Indicator	**Annual Target**	**Actual Performance**
Number of hectares added to national parks	4 000 ha	Target exceeded 6 424 ha added to national parks
Performance Analysis	Planned activities as per implementation plan were completed as follows: (a) Concluded Purchase Agreements per identified properties as per the Land Inclusion Plan 2020-2021 totalling 6424ha in extent. Property / Park / Hectares: Biggs Farm / Addo / 363 Hartebeesbult / Marakele / 2 546 Zoutpan 471 (3) / Namaqua / 3 239 Roodekol / Namaqua / 276 (b) The Land Inclusion and Planning Committee meeting was held in March 2021.	
Reason for variance	The performance achieved is 2 424 ha above the annual target. Performance above the target is desirable as stated in the technical indicator. It is very difficult to predict the exact amount of land that will be acquired given the many variables in land transactions and donations that are unpredictable, such as the time it takes to conclude purchase price negotiations, time for land transfer to be completed and land registration with the Deeds Office.	
Planned Improvement / Corrective Actions	No corrective actions required	

Property	Park	Hectares
Biggs Farm	Addo	363
Hartebeesbult	Marakele	2 546
Zoutpan 471 (3)	Namaqua	3 239
Roodekol	Namaqua	276

SUB-OUTCOME 2: EFFECTIVE AND EFFICIENT MANAGEMENT OF NATIONAL PARKS		
Output Indicator	**Annual Target**	**Actual Performance**
Initial Indicator: Percentage of METT corrective actions implemented. **Revised Indicator:** Percentage of METT corrective actions implemented and parks reassessed.	**Initial target:** 55% progress against identified corrective measures implemented. Parks scored below 67% reassessed. **Revised target 1:** 45% progress against identified corrective measures implemented. **Revised target 2:** 55% progress against identified METT corrective actions implemented. 100% of Parks that scored below 67% reassessed for achievement of METT score of ≥ 67%.	Target exceeded 64.3 % progress against identified METT corrective actions were implemented. One park (Namaqua NP) was reassessed in quarter 4.

SUB-OUTCOME 2: EFFECTIVE AND EFFICIENT MANAGEMENT OF NATIONAL PARKS	
Performance Analysis	The 2019 METT assessment was undertaken for all parks in February and March 2020. These assessments were completed on the DFFE METTS-3 Portal. The assessment comprised ± 68 indicators grouped under six adaptive management elements namely, context, planning, input, process, outputs and outcomes. For the 2019 METT assessment, SANParks achieved an average score of 71% for all national parks. Of the 19 national parks assessed, eight national parks achieved an average score above 70%, nine national parks achieved an average score of between 67% and 70%. One national park (Namaqua NP) scored below 67% and was thus reassessed in quarter 4 (2020/2021) and scored 68%. Following this assessment, all parks (i.e. 100%) have achieved a score above 67%. Three Marine Protected Areas (MPAs) (Table Mountain National Park MPA, West Coast MPA and Tsitsikama MPA) were re-assessed on the DFFE METTS-3 Portal. Following the 2019 METT assessment, all parks identified a minimum of five corrective actions per park. The corrective actions vary considerably amongst parks and each park generally reflects a diverse list of measures that are park specific. These identified corrective actions or improvement measures are all linked to the measures which are evaluated during the recent METT assessments. Averaged across SANParks operations for the reporting period, 64.3% of corrective actions were implemented.
Reason for variance	Limited positive variance with the implementation of identified corrective actions. This is mainly attributed to the easing of lockdown levels which made it possible to address an increased number of corrective actions.
Planned Improvement / Corrective Actions	No corrective actions are required

SUB-OUTCOME 3: DEGRADED SYSTEMS REHABILITATED		
Output Indicator	**Annual Target**	**Actual Performance**
Number of degraded hectares of land under rehabilitation	**Initial Target:** 17 776 initial ha **Revised Target 1:** 5 000 initial ha **Revised Target 2:** 9 456 Initial ha rehabilitated (Cumulative)	Work in progress 7 880 initial ha rehabilitated
Performance Analysis	This target was revised for 2020/21 due to additional Presidential Employment Stimulus (PES) Funds. The planned target for the 4th quarter was not achieved and is 1 576 ha less	
Reason for variance	The focus of land rehabilitation was on follow-up rehabilitation work, as it is important to attend to these previously cleared to maintain previous clearing interventions. The approval of PES Funds in November 2020 allowed more initial hectares rehabilitation.	
Planned Improvement / Corrective Actions	No corrective actions required.	
Output Indicator	**Annual Target**	**Actual Performance**
Number of degraded hectares of land under rehabilitation	**Initial Target:** 152 156 follow up ha rehabilitated. **Revised Target 1:** 20 000 follow-up ha rehabilitated. 61 003 follow-up ha rehabilitated (Cumulative)	Target exceeded 78 600 follow-up ha rehabilitated

SUB-OUTCOME 3: DEGRADED SYSTEMS REHABILITATED		
Performance Analysis	5 862 m³ of wetland rehabilitated was exceeded with 30% or 17 597 ha.	
Reason for variance	Follow-up hectares exceeded with 30% due to projects focusing on the follow-up work to maintain previous clearing interventions. In the Cape Region, the project plan was changed to do follow-up rehabilitation in several areas to address the regrowth after fires, and in KNP more Parthenium clearing was also done with more teams that started working later in-field. The short duration of the PES Funds, i.e. 5 (five) months and the employment of additional SMMEs allowed more work on the follow-up areas that could not be done with the original budget.	
Planned Improvement / Corrective Actions	None	
Output Indicator	**Annual Target**	**Actual Performance**
Number of m³ of degraded hectars of wetlands under rehabilitation	**Initial Target:** 6 000 m³ of wetlands rehabilitated **Revised Target 1:** 3 000 m³ of wetlands rehabilitated **Revised Target 2:** 5 100 m³ of wetlands rehabilitated (Cumulative)	On target 5 862 m³ of wetland rehabilitated
Performance Analysis	The planned target was exceeded by 15% or 762 m³.	
Reason for variance	The Wetlands programme became active in mid-September 2020, and increased the number of people and small contractors as part of a catch-up plan to achieve the planed targets for the year. The approval of PES Funds for five months also required more people to be employed. The programme has employed 64 SMMEs and 543 EPWP participants and enabled the programme to achieve and exceed all planned targets. The programme performed extremely well in all respects.	
Planned Improvement / Corrective Actions	No corrective actions required.	

SUB-OUTCOME 4: CLIMATE CHANGE VULNERABILITY REDUCED & CLIMATE CHANGE RESILIENCE IMPROVED		
Number of climate change response interventions implemented	**Initial Target:** One intervention Climate change vulnerability assessments completed for 5 national parks. **Revised Target 1:** Climate change Preparedness Strategy, draft 1 completed, Climate Change Vulnerability Assessments completed for five national parks.	On target Draft 1 of the Climate Change Preparedness Strategy draft was completed. Climate change vulnerability assessments completed for five national parks
Performance Analysis	On target	
Reason for variance	No variance recorded.	
Planned Improvement / Corrective Actions	No corrective actions required.	

SUB-OUTCOME 5: A FRAMEWORK TOWARDS IMPROVED MANAGEMENT OF AQUATIC SYSTEMS DEVELOPED		
Output Indicator	**Annual Target**	**Actual Performance**
Initial Indicator: Number of estuarine and marine management plans developed **Revised Indicator:** Guideline document developed	**Initial Target:** One draft estuarine management plan. One draft marine management plan. **Revised Target 1:** Guideline document for the development of Estuarine and MPA Management Plans in line with stakeholder and legislative requirements.	On target The Guideline Document for the development of Estuarine and MPA Management Plans finalised
Performance Analysis	The final planning and consultation took place as required, but consultation was only possible during lower levels of the lockdown. The final guideline document completed.	
Reason for variance	No variance recorded.	
Planned Improvement / Corrective Actions	No corrective actions required.	

SUB-OUTCOME 6: A FRAMEWORK TOWARDS IMPROVED MANAGEMENT OF CULTURAL HERITAGE DEVELOPED		
Output Indicator	**Annual Target**	**Actual Performance**
Number of Cultural Heritage assessments conducted	Cultural heritage resources in three national parks assessed	On target The Cultural Heritage Survey Report was completed and cultural heritage resources were assessed in three parks
Performance Analysis	The Cultural Heritage Survey Report was completed and cultural heritage surveys and assessments for three parks namely Kruger, Table Mountain and Garden Route National Parks were completed.	
Reason for variance	No variance recorded.	
Planned Improvement / Corrective Actions	No corrective actions are required.	

SUB-OUTCOME 7: SUSTAINABLE POPULATIONS OF SPECIES OF SPECIAL CONCERN MONITORED AND MAINTAINED		
Output Indicator	**Annual Target**	**Actual Performance**
Percentage annual increase in rhino populations	Decline in Rhino population in KNP halted Rhino population in other rhino parks increasing at 4%	Off target The decline in the KNP black and white rhino populations has not been halted as current poaching rates are not offset by birth rates, resulting in a net loss of rhinos. In the smaller rhino parks, the weighted annual growth rate was 7.3% thus exceeding the target.

SUB-OUTCOME 7: SUSTAINABLE POPULATIONS OF SPECIES OF SPECIAL CONCERN MONITORED AND MAINTAINED		
Output Indicator	Annual Target	Actual Performance
Performance Analysis	While the targeted growth rate for rhino in small parks was exceeded, indications are that in some instances normal ecological limitations are starting to play out which may have consequences for maintaining 4% annual growth in future years. The decline in both black & white rhino populations in KNP could not be halted.	
Planned Improvement / Corrective Actions	Scientific Services, KNP Conservation management and WWF-SA participated in the facilitated workshop to reflect on lessons over the last 10 years and to get consensus on a way forward to reverse the declining population trends. Further internal consultations are taking place to inform key actions for the updated rhino implementation plan.	

SUB-OUTCOME 8: AFRICAN RANGE STATES (8.1 & 8.2 BOTH REMOVED FOR 2020/21 DURING THE MIDTERM REVIEW)

SUB-OUTCOME 9: WILDLIFE CRIME IN NATIONAL PARKS REDUCED		
Output Indicator	Annual Target	Actual Performance
Number of rhinos poached in KNP and 6 other Parks reduced	a) Rhino poached in KNP less than ≤ 250 animals	On target 247 rhino were reported poached in KNP in 2020/21.
	b) ≤ 5 animals poached in other park	On target No rhino lost to poaching in other parks in 2020/21.
Performance Analysis	a) 247 rhino have been reported poached in KNP for 2020/21 thus leading to a positive reduction of 18.21% in the number of rhino poaching fatalities reported for the same period (Q1 – Q4) 2019/20 where 302 rhino were reported poached.	
	b) No animals poached in the 6 rhino parks during the 12 month reporting period.	
Reason for variance	No variance recorded	
Planned Improvement / Corrective Actions	Continued implementation of the multi-pronged anti-poaching plan.	
Output Indicator	Annual Target	Actual Performance
Number of elephants poached reduced	Elephant poaching in national parks less than 40 animals	On target A total of 15 elephants were poached in national parks in 2020/21.
Performance Analysis	15 elephants were poached in Kruger National Park and 0 elephants poached in other elephant parks in 2020/21. This is a positive reduction of 44.4% since 27 elephants were poached in the 2019/20 financial year.	
Reason for Variance	COVID-19 lockdown measures implemented through Levels 5-1 resulting in restricted access & movement both internal & external to park. Successful implementation of the multi-pronged anti-poaching plan, which includes cross co-operation; SANDF partnerships and rapid response units.	

3.2 DIVERSE RESPONSIBLE TOURISM

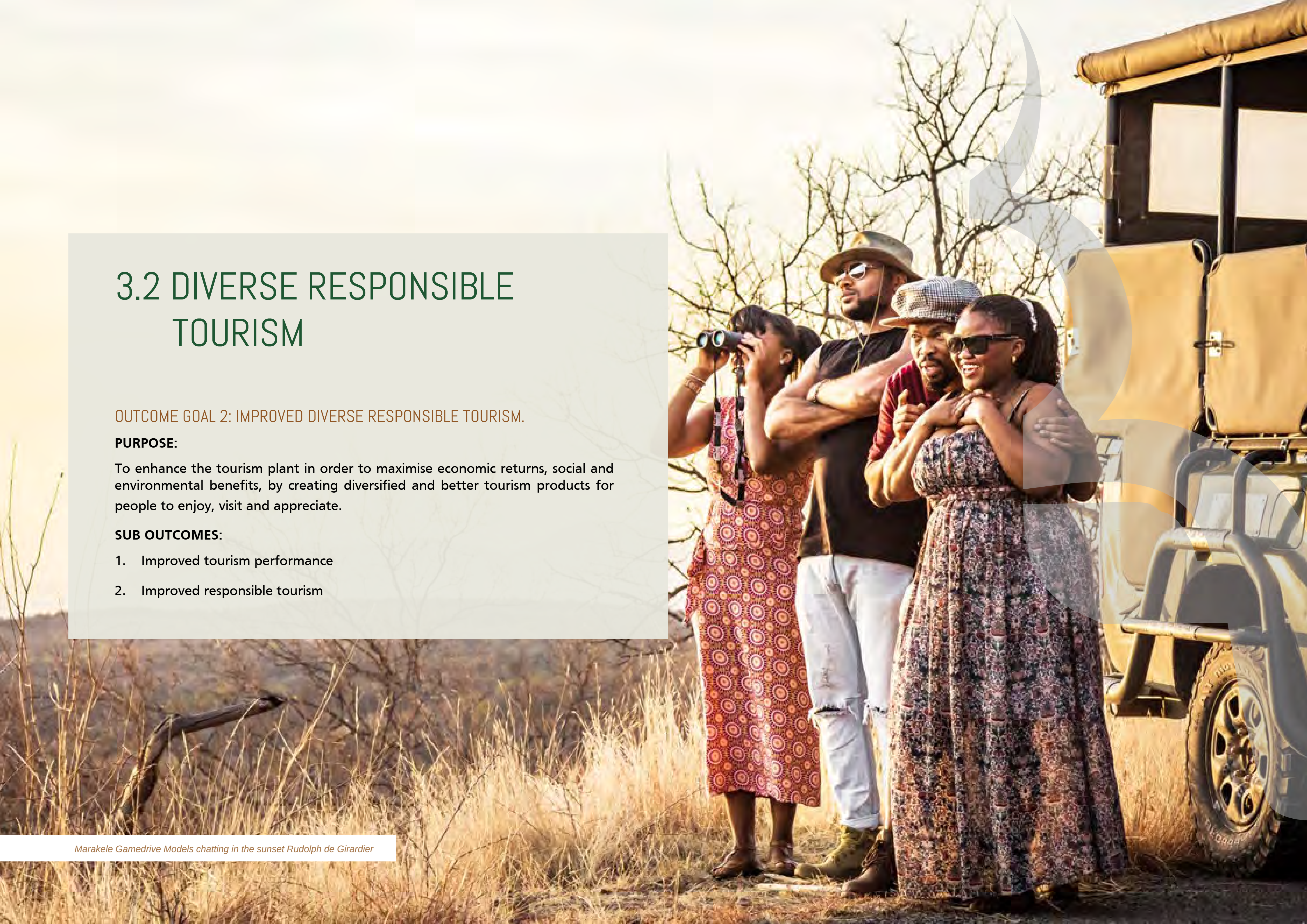
OUTCOME GOAL 2: IMPROVED DIVERSE RESPONSIBLE TOURISM.

PURPOSE:

To enhance the tourism plant in order to maximise economic returns, social and environmental benefits, by creating diversified and better tourism products for people to enjoy, visit and appreciate.

SUB OUTCOMES:

1. Improved tourism performance
2. Improved responsible tourism



Marakele Gamedrive Models chatting in the sunset Rudolph de Girardier

Ms. Hapiloe Sello
MANAGING EXECUTIVE: TOURISM DEVELOPMENT AND MARKETING

3.2.1 DIVERSE AND RESPONSIBLE TOURISM

Tourism Development, Marketing and Communications

Tourism is one of the three core pillars of SANParks; the delivery of tourism facilities and services in SANParks is governed by responsible tourism principles. These principles strive to ensure that nature-based tourism activities are sustainable whilst promoting and funding sustainable biodiversity and cultural heritage conservation as well as ensuring that there are economic benefits for neighbouring communities. Revenue derived from tourism activities provides critical revenue for the organisation to achieve its conservation mandate. Prior to the COVID-19 pandemic, the tourism operations and activities generated 80% of the organisation's annual budget.

SANParks' Tourism Division consists of a number of inter-related units that drive specific tourism-related functions across the organisation. The Marketing Unit positions parks, raises awareness and generates sales; the Visitor Services Unit provides meaning and direction to the visitor experience and regulation, and coordinates tourism research in the organisation; and the Yield and Revenue Unit monitors revenue generated by tourism and regulates tourism standards across the organisation. The Wild Card Programme is SANParks' loyalty programme through which the public can affiliate themselves to the parks and to conservation in a relationship that rewards them for their support while generating additional revenue for the organisation. The Business Development Unit manages private-public partnerships as part of SANParks' commercialisation strategy.

Overall tourism performance

The national lockdown to curtail the spread of COVID-19 in South Africa caused all National Parks to remain shuttered for all of April and May 2020. Limited day-visits by intra-provincial local travellers were allowed from 8 June 2020, with overnight leisure accommodation and inter-provincial travel allowed again from mid-August 2020. Consequently, the first quarter of the year recorded limited activity both in tourism revenues and volumes.

There was a gradual growth in tourist volumes in quarters 2 to 4, but the year on year comparison continued to show a drastic decline of an average of 70% in revenues and volumes for all three quarters.

September was the first month in which a degree of normalcy resumed in our operations due to the lifting of the intra-provincial travel ban; however, the surge in domestic tourist interest and uptake was not sufficient to compensate for the losses incurred in the first five months of the financial year.

The expectation that the summer season would usher in significant recovery was impeded by surging local infections, leading to a "second wave" of COVID-19 from December 2020. This resulted in the closure of beaches along most of South Africa's coast and in turn negatively impacted on visitor numbers to SANParks' coastal destinations.

Flooding in the Kruger National Park and the temporary closure of Lower Sabie due to a localised outbreak of COVID-19 further negatively impacted performance in January and February 2021, though the increased flow of the Orange River over the Augrabies Falls had a temporary positive impact on that park.

The annual SANParks week, usually held in September, was postponed to November 2020.

South Africa's borders remained closed to all international visitors until 1 October 2020 when they opened to a limited number of low-risk countries. This was followed with the lifting of bans for all travellers from all countries in November 2020; however most of SANParks' key foreign markets still faced a second wave of infections, limiting non-essential travel for their citizens.

Surging local infections, leading to a local "second wave" caused by a more easily transmitted COVID-19 virus-variant - N501Y, unique to South Africa, resulted in the closure of beaches along most of South Africa's coast in December 2020. The second wave brought about subdued tourist activity across the country with coastal destinations SANParks' facilities in the seeing high cancelations and postponements. Simultaneously, key international source markets banned travel to the South Africa as a result of this wave. The impact was felt keenly by SANParks as these restrictions curbed the highly anticipated recovery of tourism revenues during the festive season.

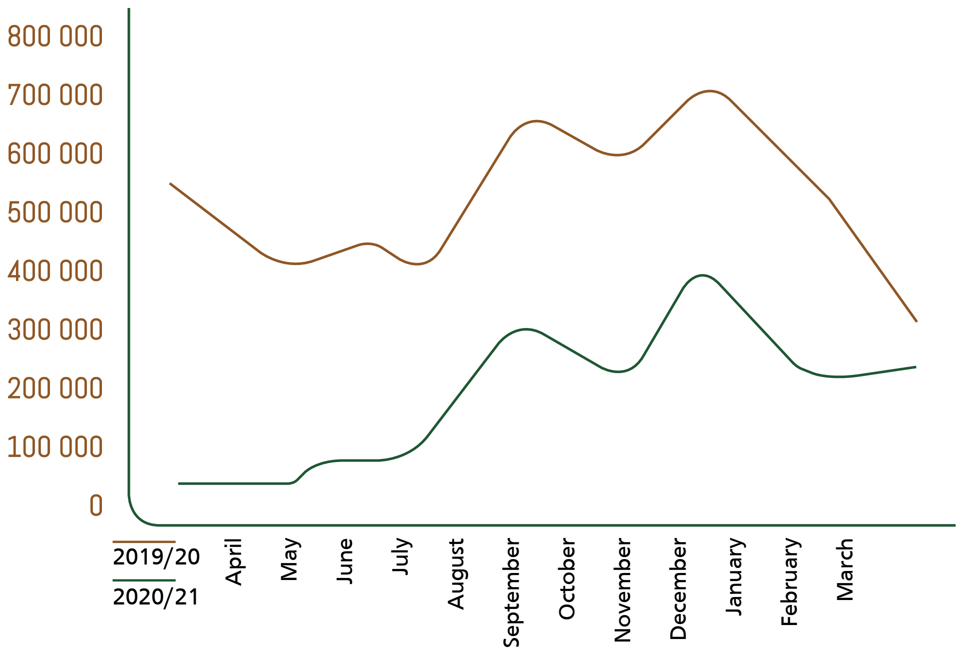
Compared to March 2020, when the impact of the COVID-19 pandemic became evident and despite the postponement of the public school holidays this year, March 2021 registered lesser decreases in Accommodation Unit Nights Sold, Guests to Parks and Activities than has been the case generally through the 2020-21 financial year, and actually registered increases in other key performance indicators, most notably Camping.

The year ended with a -67.2% tourism revenue to R618 748 000 and a 68.4% decline on tourists at a total of 1 996, 667 tourist compared to the previous year of 6 326 448.

As to be expected, the worst declines by category were recorded within the international visitor category which declined by 98.2%; followed by SADC visitors which are down by 94.4%. Domestic visitor declines at 36.1% were less severe within this context; however the decline is notable and unprecedented.

Kruger recorded declines of 54.7% and the Parks declined by 74.1%; the latter's most popular parks namely Table Mountain, Addo and Tsitsikamma were largely patronised by international visitors.

The graph below illustrates the year on year comparison in tourist numbers per month.



The model below provides a timeline of key milestones that impacted on tourism performance during the various levels of national alert level lockdowns and their accompanying restrictions.

26 March 2020	Lockdown commences - All parks closed
1 June 2020	Intra-provincial self-drives permitted - Restaurants permitted to open for take away
8 June 2020	SANParks opens for intra-provincial self-drives SANParks permits opening of restaurants (take-away only) and retail
29 June 2020	Restaurants are permitted to open for sit down patrons
6 August 2020	Ban on intra-provincial overnight stays is lifted
14 August 2020	SANParks opens its overnight accommodation for intra-provincial visitors
18 August 2020	Inter-provincial travel ban lifted Inter-provincial overnight stays is permitted
1 October 2020	South Africa opens its borders Key international source markets remain prohibited
15 December 2020	Beaches are closed

Shalati Bridge

Tourism Statistics

Guests to Parks - For the period under review, total Guests to Parks decreased by -68.4% from 6 326 488 to 1 996 667 persons through SANParks gates. For Kruger the number is down -54.7% from 1 833 061 to 830 392 and for Parks decreased by -74.0% from 4 493 374 to 1 166 275 persons.

Unit Occupancy - The average Unit Occupancy for the period under review was 29.4% (down from 69.4% last year), comprising 29.2% (last year 54.5%) for Parks Division and 29.6% (last year 78.0%) for Kruger Division.

Bed Occupancy - Bed Occupancy for the period under review across all national parks was 23.7% (last year 54.0%) comprising 23.6% (last year 42.3%) for Parks Division and 23.8% (last year 60.6%) for Kruger Division.

Camping - Camp Site Occupancy (sites occupied as a margin of sites available) for the period under review decreased to 30.2% from 48.2% in previous year. In the case of Parks Division, Camp Site Occupancy decreased to 23.5% from 32.6%, while in Kruger Division it decreased to 38.7% from 67.4%.

Activities - For the period under review, the Activity statistics show an overall decrease of -80.9% from 291 562 to 55 752 activities across SANParks with Kruger showing a decrease of -82.7% from 207 014 to 35 864 activities and Parks showing a decrease of -76.5% from 84 548 to 19 888 activities.

Tourism Revenue

For the period under review, total revenue from SANParks' tourism operations declined by -67.2% to R618 748 000.

- Revenue from accommodation, including camping, decreased by -53.0% to R366.8 million;
- Revenue from conservation fees, including Wild Card, decreased by -80.9% to R145.7 million;
- Revenue from activities declined by -76.9% to R24.7 million;
- Revenue from retail activities decreased by -49.9% to R20.2 million;
- Revenue from concession operators decreased by -81.8% to R17.8 million;
- Revenue from retail and food & beverage operators decreased by -51.4% to R21.0 million;
- Revenue from sundry sources and cancellation fees decreased by -60.2% to R22.8 million

Marketing for Improved Tourism Performance

In determining short- to medium-term plans to meet the stated targets for tourism revenue, visitor numbers and accommodation occupancy, the primary marketing focus was and continues to be on stimulating growth of the six parks (Agulhas, Garden Route, Golden Gate Highlands, Marakele, Mapungubwe and West Coast National Parks) identified in the organisation's 10 year Tourism Revenue Growth Plan 2016/17-2026/27 as having the greatest probability of commercial success. A number of marketing initiatives have been embarked on in this regard, focusing primarily on digital media and social media, with the Marketing Department largely utilising its own platforms to drive awareness and sales promotions.

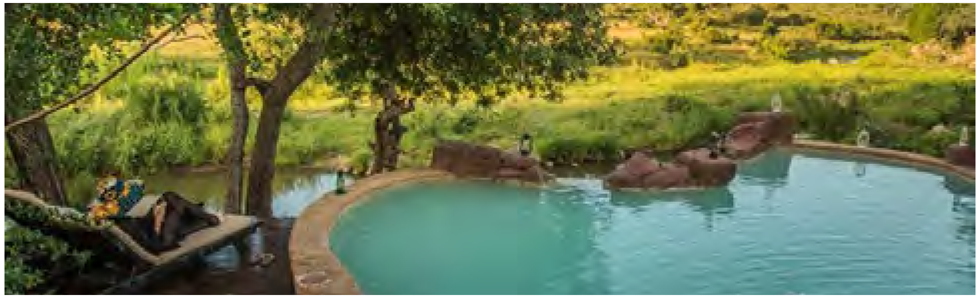
In a year when tourism activities were halted by COVID-19 and a countrywide lockdown, limited marketing efforts were carried out. The marketing department utilised this period to source new ways of generating revenue through the adoption of technology and leveraging owned digital platforms to reach the traveller. The Marketing Department continued to address tourism growth needs by strengthening digital and online efforts to attract these source markets through innovative, creative and responsible marketing initiatives. Adopting and keeping abreast of the most recent and relevant technologies (digital, social media, virtual experiences through YouTube, and Mobile etc.) and leveraging existing relationships and networks, acquiring and rekindling new relationships.

Sales Promotion Campaigns

Marketing has driven extensive sales and promotional campaigns to reduce the level of distressed revenue.

Sales promotions commenced post lockdown with a 'Welcome Back To The Wild' online advertising campaign, further utilising the opportunity provided by 'Black Friday' on 27 November 2020 to generate R4 550 520 via an online discount campaign. An 'Expanded Senior Citizen Discounts' campaign introduced revised discounts of 40%, available for a limited time at selected parks and camps, and resulted in bookings to the value of R7 011 169.

The online campaigns worked on during 2020/2021 financial year resulted in reservations worth R15 910 968.



Black Friday Sale advertisement, November 2020

Stokvels and Travel Clubs – tourism offering

SANParks launched a Stokvel and Travel Club programme that offers members discounts at certain national parks. The offer aims to attract groups of ten or more people that typically travel together and/or regularly contribute money towards a collective visit to our National Parks in future. This new product offers such groups discounted tariffs with favourable payment terms. This new product forms part of the overall marketing strategy of growing specific non-traditional markets, attracting visitors, and making travel to SANParks' destinations inclusive and affordable and diversifying SANParks' offering.

Launch marketing efforts commenced with paid radio and digital advertising. To complement the advertising, SANParks leveraged radio interviews for amplified messaging. An introductory offer of 30% on bookings during selected dates and at selected parks was offered to groups that registered with SANParks. As part of digital marketing efforts, a landing page on the SANParks website was created to showcase and highlight the new Stokvels and Travel Clubs offering (www.sanparks.org/tourism/stokvels-and-travel-clubs.php).

Advertising for the Stokvel and Travel Clubs tourism product

Digital marketing images from website for launch of the Stokvel and Travel Clubs tourism product

Influencer Marketing

Influencer marketing is a strategy that helps a brand take advantage of prominent individuals' charisma, influence and fame to get key messages or commercial proposals across to target audiences. Consumers are likely to make travel choices based on recommendations from peers and trusted sources. The ability to share travel experiences digitally has increased the speed and frequency of peer recommendations and has become a key marketing lever in the industry. In 2020/2021 SANParks-contracted influencers helped reach 668 085 people through sharing their SANParks experiences on social media platforms via pictures and video clips. In 2021 this inexpensive marketing effort will continue to serve as a positioning vehicle for SANParks' marketing efforts.

Influencer Social Media post – Golden Gate Highlands National Park

Social Media

Engagement and growth on our social media platforms continued to increase as a result of SANParks' planned online initiatives to ensure greater reach. Audiences were engaged by means of content campaigns and themed topics. SANParks' social media platforms enjoyed significant growth - YouTube subscriptions grew from 3 000 to 10 000 (69.3% increase) and enough watch time of our videos has been generated to enable our YouTube channel to be monetised. Instagram grew from 80 000 to 125 000 followers (35.7% increase) and LinkedIn from 23 000 to 35 000 networks (32% increase). All other platforms also showed positive growth during 2020/2021.

"You are Nature" WWF SA / SANParks Fundraising Campaign

During Heritage Month, the WWF-SANParks campaign encouraged the public to make donations, with a minimum donation amount of R300, via the fundraising cause page on SANParks' website. The campaign included online advertising via Facebook, Instagram and Google as well as organic posts across both partners' social media platforms. Both WWF-SA and SANParks sent targeted email newsletters. By making a donation, donors were entered into a lucky draw where they stood a chance to win one of three exciting prizes. The campaign collected R426 507. The fundraising cause page remains active to facilitate additional donations towards conservation efforts in our national parks, attempting to raise R3 000 000.

Advertising for the "You are Nature" fundraising campaign

SAT - SANParks Collaboration – Safari Excursions Readiness Video

SANParks and South African Tourism marketing units collaborated in developing a series of videos to showcase the health and safety protocols that our industry has put in place to ensure that all travellers enjoy their experiences safely. The videos showcase the services and experiences readiness in level 1. Filmed in Marakele National Park, the videos are shot from a traveller's point of view providing a step-by-step guideline to reassure travellers that health protocols are in place within our parks. The footage has been used in both SANParks and SAT global campaigns.

Safari Excursions readiness video at Marakele

Visitor Services

The Visitor Services Unit regulates four key tourism functions within SANParks, namely Visitor Interpretation, Tourism Research, Visitor Management and Universal Access. The unit works closely with staff from the various parks and with many external stakeholders, particularly with SANParks' Honorary Rangers, the National Department of Tourism, and with local and international universities and other research institutions.

Visitor Interpretation

Visitor interpretation helps deliver visitor experience when in or learning about parks, providing information about their natural environments, cultural heritage and physical, social and spiritual contexts. It deepens awareness, connection and responsibility in those visiting a site or area and generates a commitment to the continued conservation of the natural or cultural asset. Staff-guest interaction, activity guiding, signage, brochures, posters, visitor guides, websites, podcasts, social media, television documentaries, interpretive displays and interpretation centres are all platforms that SANParks utilises to deliver interpretation.

Interpretation Centres and Displays

SANParks has an ongoing MOU with the University of the Sunshine Coast to create meaningful opportunities for visitors to parks through interpretation interventions and projects. There are currently multiple projects in Kgalagadi and Kruger National Parks that in partnership with SANParks' Visitor Services Unit are developing from scratch or upgrading existing interpretation display sites over the next five years.

In Kruger National Park draft display visualisations and content were developed for both the Satara Carnivore Interpretation Centre and the Lower Sabie River Interpretation Centre.

Conceptual layouts for outdoor carnivore interpretation nodes

An anti-poaching diorama interpretive model was developed and built by Ralph Davey of SANParks' Honorary Rangers to promote the excellent work done by KNP rangers. Renovation and restoration of the Interpretive Displays at Phabeni and Rabelais Hut continued, also with the support of Honorary Rangers. Work was done on restoring the physical properties of the existing structures. In addition, erection of the Tshikumbu Interpretation Site has commenced by the Highveld Honorary Rangers in close partnership with the Visitor Services Unit and KNP. Display materials will be developed in the new-year and will focus on the cultural heritage significance of Mount Tshikumbu, a sacred site with a rich cultural history. Furthermore, Cultural Heritage interpretation signage was researched, written and edited for several Kruger sites including Dzundwini, Gumbandebvu, Manungukop, Mass Cattle Graves, Red Rocks, Sabi Bridge's transition to Skukuza and Tshokwane (project sponsored by National Department of Tourism).

In Kgalagadi, COVID-19 prevented refurbishment and redevelopment of the Nossob Predator Centre and installation of new interpretation signage in rest camps and picnic sites from taking place in November 2020. Content development however continued with input from Visitor Services and Scientific Services. University of Sunshine Coast students will now be designing and producing the displays during the academic year to enable installations to take place when international travel is permitted once again. In addition, a book version and posters of the Kgalagadi Raptor Centre were produced and will be made available to the public.

Khomani Cultural Landscape Interpretation Centre - Heritage funding for the creation of the interpretation centre was made by the National Department of Tourism. The centre will be developed in the new financial year.

|Ai-|Ais/Richtersveld Transfrontier Park-Twelve interpretation display boards were developed for the Richtersveld Botanical Garden. This project is a collaboration between SANParks and SANBI.

Park Interpretation Management Plans - Visitor interpretation plans for Addo Elephant and Camdeboo National Park were work-shopped with park staff, and written up for executive sign-off.

Site Interpretation Officer training - A site interpretation course was developed together with the Honorary Rangers to train volunteers to provide an interpretation service at popular sites and centres.

Avi-Tourism Guide training - In an initiative sponsored by Eskom, Birdlife SA hosted and covered costs for three Golden Gate Highlands National Park rangers/field guides at a 4-week training workshop at Wakkerstroom Educational Centre in Mpumalanga to equip them with the skills and qualification necessary to guide visitors to the park.

Tourism Research

Tourism faces a long road to recovery due to the impact of the COVID-19 pandemic and the travel restrictions imposed around the globe. Experts talk about a "reset" or "recalibration" of the tourism industry post-COVID-19. Businesses will need to make their tourism offerings more resilient to future pandemics and adapt to altered consumer interests, including a greater need for sustainable products and experiences. Research plays a critical role in informing management of what such a reset could entail.

Accordingly, the Tourism Research Agenda was revised to incorporate new research priorities for the short- to medium-term. During the year under review, the unit launched two studies investigating the effects of the pandemic on tourism and travel patterns, what the recovery could potentially look like and the implications for ecotourism. The results of a tourist perception study, conducted in April 2020 when most countries were in their first hard lockdown, indicated that most visitors were keen to get back to National Parks. Many pleaded for parks to be re-opened as they felt such experiences contribute to their mental health and physical wellbeing. Both international and domestic visitors overwhelmingly agreed that they can safely practice social distancing while in national parks and that it would be easy to avoid crowds, given the large open spaces and self-catering accommodation offered. Resultantly, the majority did not believe that visiting a national park increased their risk of contracting the disease, when compared to their normal everyday life.

Examples of comments from respondents showcasing their desperation to get back to parks during South Africa's hard lockdown in April 2020:

> "IT IS FOOD FOR MY SOUL, IT IS IN MY BLOOD, CANNOT WAIT TO RETURN"
>
> "IT IS A PHYSICAL PAIN, I NEED TO BE THERE!"
>
> "I MISS MY SUNDAY FAMILY PICNICS AT JACK'S SPOT IN ADDO!"
>
> "MY SOUL NEEDS SPACE TO BREATHE AND AS A BUSY GAUTENGER I NEED MY KRUGER FIX AS SOON AS LOCKDOWN ENDS OR RESTRICTIONS GET LIFTED A BIT"
>
> "IT'S MADE ME REALISE THAT WE NEED TO TAKE ADVANTAGE OF THE FACT THAT WE ARE FORTUNATE ENOUGH TO HAVE SO MANY FANTASTIC PARKS AT OUR DISPOSAL AND THIS LOCKDOWN HAS BROUGHT ME CLOSER TO NATURE ONCE MORE"

The unit also conducted a more in-depth review of expected crisis-induced changes, including new barriers to travel; tourists' psychological and emotional states; and changes in travel behaviour and market segments. From a supply perspective, the study explored possible changes in the design of product and experiential offerings; communication and marketing to tourists; the pricing of products and experiences; visitor management at destination level and the increasingly important role of technology in tourism.

The recovery and future growth of tourism will be influenced by a combination of pre and post-pandemic trends. Understanding these short- and long-term influencers can help SANParks shape its tourism offering into one that is truly sustainable and resilient, fit for an ever-changing future. Research in this area will continue to be a priority for years to come.

Visitor Management

A Responsible Tourism Monitoring Toolkit was developed for SANParks for implementation in the new-year in parks.

Universal access is an ongoing concern which requires attention in SANParks, an audit performed indicates that only one park, and one rest camp in Kruger are fully compliant with the targets set in the 2015 SANParks Protocol on Universal Access in Tourism. This will require prioritisation going forward.

The Universal Access protocol on the use of service dogs in parks for guests with disabilities as an exception to the usual restriction on domestic animals accompanying guests into parks, was extended to a dog trained to detect insulin levels of a diabetic autistic child at Ebb & Flow Rest Camp in the Wilderness Section of Garden Route National Park.

Wild Card Loyalty Programme

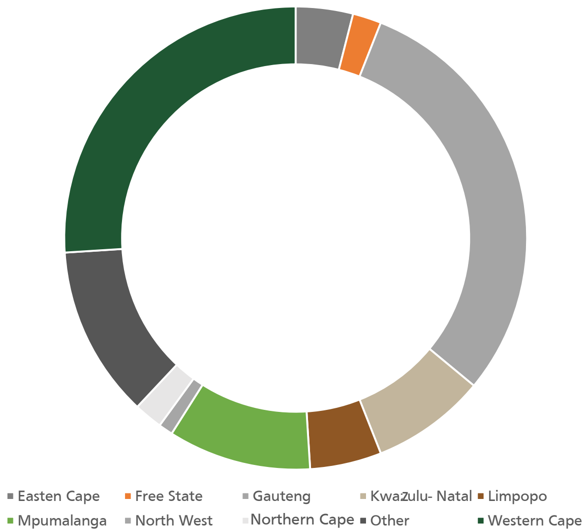
COVID-19 has had a devastating effect on Wild Card membership revenue. Wild Card programme sales revenue decreased by 44.1% year-on-year to R 71 002 222 with membership down 25.6% to 61 578 in the financial year.

	Revenue			Members		
	2019/20	2020/21	% Change	2019/20	2020/21	% Change
Q1	R30 438 950	R2 527 410	-91.7%	21 803	2 397	-89.0%
Q2	R38 335 475	R19 754 157	-48.0%	24 073	18 057	-24.9%
Q3	R34 551 377	R27 114 849	-27.4%	22 154	23 073	+4%
Q4	R23 583 186	R21 479 640	-8.9%	14 716	17 946	+21.9%
TT	**R126 908 988**	**R71 002 222**	**-44.1%**	**82 746**	**61 578**	**-25.9%**

Wild Card Membership

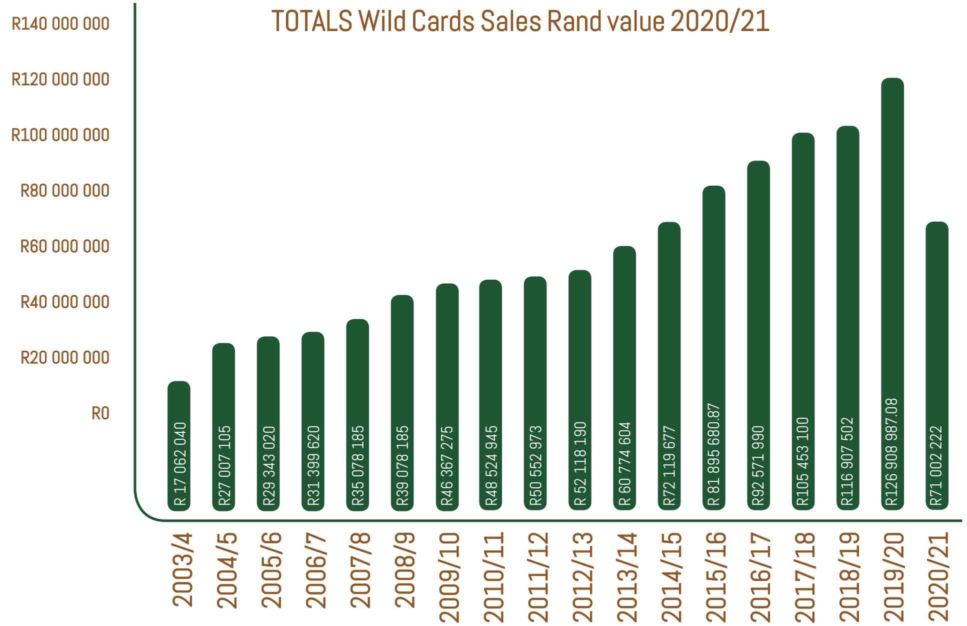
Active membership decreased by 21 168 from 82 746 to 61 578. Total Wild Card Conservation Partners sales were only 0.9% for the year. During the reporting year, 17.68% of Wild Card memberships were Individual, 56.29% Couple and 26.03% Family memberships. The All Parks and SANParks Clusters memberships remained the most popular at 74.71% and 23.13% respectively.

At 30.58%, Gauteng continued to have the highest membership followed by the Western Cape at 26.23%. International membership made up only 2.92% compared to 14.22% prior to COVID-19 (YoY) and contributing only 3.65% on turnover compared to 41.83% in 2019/20 Year-on-Year of turnover.



Wild Card Members per province

Membership ages were: 18 to 24 years (3.60%); 25 to 34 years (8.78%); 35 to 50 years (26.70%); 51 to 59 years (19.51%); and 60 years of age and above (41.41%). In terms of gender, main Wild Card Membership was 24.62% female and 66.73% male, while 8.65% of members did not indicate gender. Wild Card Membership disaggregated by ethnicity was 34.33% African/Black, Coloured, Indian/Asian and other, and 30.43% white (3.9% decline), with 29.49% of members not disclosing their ethnicity.



Staff returned to office under strict COVID-19 protocols. Total sales from all the centres decreased by R3 297 456, to R2 442 580 with 1 046 wild cards sold (a decrease of 837 from the last financial year). In 2020/21 the Wild Card Call Centre generated a total of R888 870 compared to the R2 159 802 sold in 2019/20 (decrease of 59%). Performance this year declined drastically because of the pandemic, received 7 263 more calls and the abandonment rate overall increased by 4% compared to last year. This performance was mainly due to having minimal staff on rotation during the lockdown period. The contact centre team all returned to work from January 2021 and the rest of the Wild team is rotating. The contact centre service level improved by 14% in the second half of the year from 72% to 86%.

Wild Card Office in Soweto - Given the programme's aim of appealing to new markets, new rental premises were secured in Vilakazi Street, Soweto, next to Nelson Mandela House to be operated as an information and reservation office. The official launch could not take place due to COVID-19. The office currently operates to test the market and create awareness. Until the new positions are advertised and permanent appointments made, two Wild Card employees were temporarily seconded to operate the office.

SANParks' Reservations and Wild Card Office, Vilakazi Street, Soweto

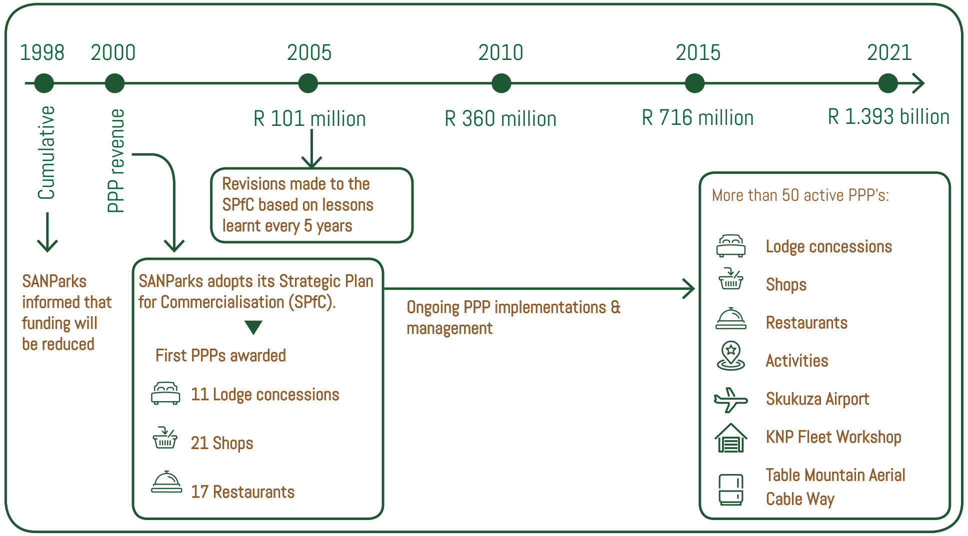
Cyclists pose for a picture in front of the SANParks Reservations and Wild Card Office in Soweto

New Wild Card CRM and Loyalty System

The Wild Card team is hard at work to develop a new CRM and Loyalty Programme and is due for implementation during the first quarter of 2021. The team is currently going through the testing phase and finalising reviews of the training modules for both CRM and Loyalty. The CRM portion of the project is 90% complete with final configuration to be completed for the sales, campaign management and marketing modules. The loyalty programme will be implemented in phases over the next 12 months. The framework for member types and benefits has been completed, feasibility analysis and costing to be concluded. A communication drive to ensure notice to existing card holders and to promote the benefits of loyalty will be conducted during the middle of 2021.

Business Development

The Business Development Unit implements and manages a range of private sector partnerships to maximise SANParks' financial independence from the state, whilst enabling socio-economic development. SANParks has implemented its Commercialisation Strategy, which is carried out through Public Private Partnership (PPP) projects:



PPPs are regulated by the Public Finance Management Act, which provides a clear and transparent framework for PPP implementation. Commercialisation within SANParks is governed and guided by the organisation's Responsible Tourism Strategy 2022 (a 10-year strategy concluding in 2022), the National Tourism Sector Strategy, and National Minimum Standards for Responsible Tourism (SANS1162) and the National Development Plan (NDP).

The Business Development Unit's objectives and achievements through the Commercialisation Strategy are as follows:

Enhanced value proposition
- 552 five-star beds, increasing economic activity and foreign exchange generation
- Improved efficiencies of restaurants and retail facilities, enhancing visitor experience

Revenue generation
- Total revenue from Commercialisation since inception to March 2021 amounts to R1. 393 billion, contributing towards the funding of SANParks operational mandate

Infrastucture expansion
- Increased infrastructure to the value of R958 million
- Refurbishment of aging restaurants and retail infrastructure to the value of R20 million

Socio economic impact
- 21 000 permanent jobs and annual local community SMME spend of R75 million
- Accelerated industry transformation through B-BBEE score card, with targets to empower black people, in particular by black women and local communities

Optimal use of underperforming assets
- Heightened customer satisfaction for restaurants and retail facilities previously managed by SANParks, now managed by the Private Sector, with facilities often moving from a loss of profit making status

Expanded and improved tourism products
- Leveraging private sector capital and expertise
- Reduced cost delivery
- Improved service levels by focusing on SANParks' core business

Despite the impacts of the COVID-19 pandemic and the resultant lockdown on the tourism industry, the following progress was made in implementing the Commercialisation Strategy during 2020/21:

IMPLEMENTATION OF NEW & DIVERSE TOURISM

KRUGER NATIONAL PARK:
TWO BLACK-WOMEN OWNED SPA FACILITIES

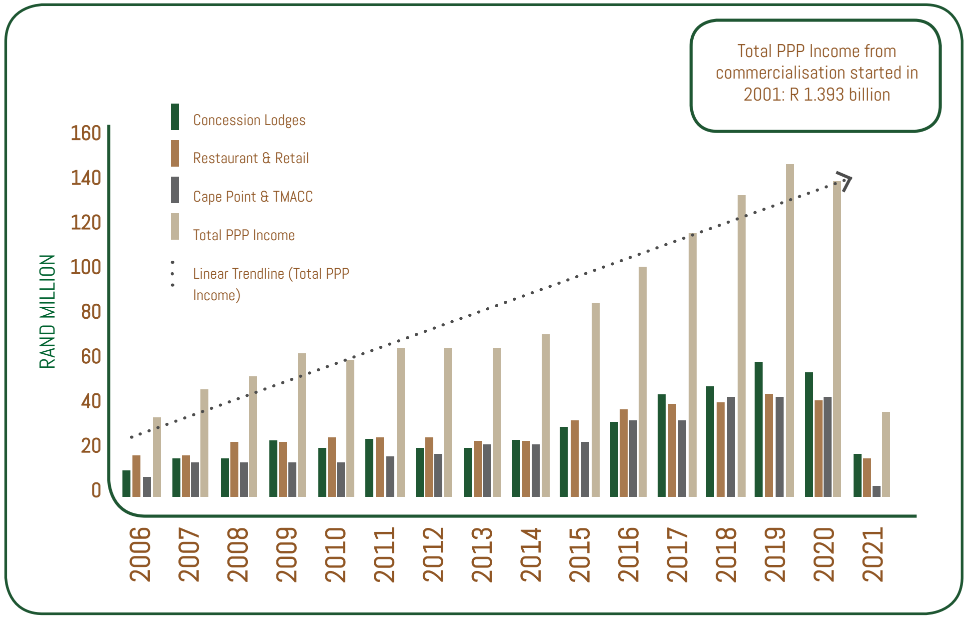
OPERATOR COMMENCEMENT OF:
- KRUGER SHALATI CONCESSIONS (RESTAURANT AND TRAIN ACCOMMODATION)
- SKUKUZA SAFARI LODGE FOOD & BEVERAGE FACILITY

TABLE MOUNTAIN NATIONAL PARK:
- COMMERCIAL ABSEILING
- GROOTE SCHUUR RESTAURANT & TEAROOM

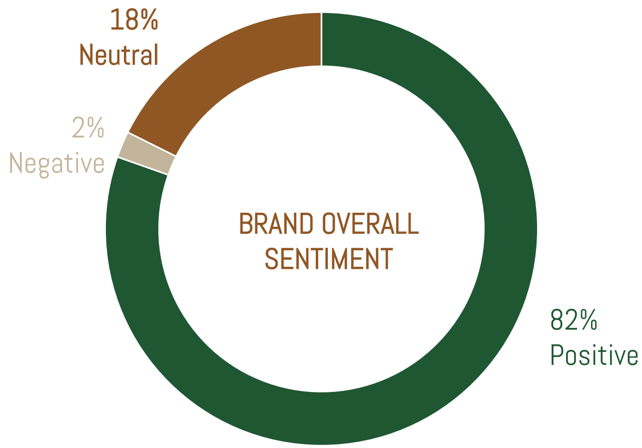
ALL PARKS:
- DEVELOPMENT OF A NEW MODEL TO OPTIMISE THE SANPARKS RESERVATION MODEL, TO BE TRIALED FROM APRIL 2021

PPP Performance

Revenue generation remains an integral part of PPPs to maximise SANParks' financial independence. Due to the impact of the COVID-19 pandemic and the resultant lockdown on tourism businesses, there was a significant decline in PPP income in the year under review, as demonstrated below. As the COVID-19 vaccination programme is rolled out globally, SANParks anticipates that performance will improve and surpass pre-COVID-19 levels.



In addition to revenue generation, the average annual Lodge Concession bed occupancies indicate the positive contribution of the Lodges in diversifying SANParks' tourism products and attracting diverse markets. As with other tourism businesses, over the past year the Lodge Concession occupancies show a significant decline due to the COVID-19 pandemic, with recovery further hampered due to the prescribed business model of targeting the international market. Despite this, the Lodge Concessions continue to enhance SANParks' value proposition and will be a key focus over the next few years, during which SANParks will implement retender processes for six of the Lodge Concessions in the Kruger National Park.



Corporate Communications

The work of corporate communications is both reactive to the environment and proactive in constructing a favourable reputation for SANParks. During the year SANParks worked towards building a positive media reputation with deliberate interventions on issues of strategic importance around its three core pillars of sustainable conservation, sustainable tourism and socio-economic transformation and to build a top-of-mind brand. This included hosting strategic events, activation of crisis communications plans, launches and a unified brand positioning utilising digital and social media platforms and media partnerships. This ensured publicity on unrelenting poaching issues as well as general safety and security issues affecting tourists in national parks. Strategic alliances with donor and business partners such as Total South Africa, First National Bank, SANParks Honorary Rangers, various NGOs, as well as government departments and communities continue to yield benefits for national parks.

To keep track of SANParks standing in the media, its relations with the media, measuring its media reputation as well as evaluating the reach of its messages, the organisation engaged the services of an independent media monitoring company. Although overall performance was exceptional, media reputation was knocked as a result of various extraordinary and unfavourable events in certain parks such as Table Mountain National Park. Nevertheless, overall brand sentiment was positive (82%).

SANParks closes all tourism facilities

"SANParks has closed all its tourism facilities to the public. The SANParks lockdown started on 25 March when all overnight guests were requested to vacate the parks. This has been done in support of the nationwide lockdown for 21 days. to combat the spread of the corona virus pandemic. Fundisile Mkerteni, the CEO of SANParks, says the health and wellbeing of the staff and visitors is of critical importance"

COVID-19 RELIEF

"The Minister of DFFE Barabara Creecy speaks after leading a SANParks initiative to distribute food parcels and water tanks to vulnerable communities bordering the Kruger National Park in both Limpopo and Mpumalanga"

SANParks reopens for self-drive day excursions after two months

"SA National Parks (SANParks) has announced that self-drive excursions of day visitors will be permitted from Monday in parks that cater for self-driven. SANParks CEO Fundisile Mketeni said SANParks used this week to prepare for the expected arrivals of guests to parks.

ALMOST 40 000 people visited SANParks during National Parks Week

"The #SANationalParksWeek, from 22-26 November, saw a total of 39 841 visitors to the various South African National Parks (SANParks). The campaign under the establishment theme "Know Your National Parks" allowed locals with valid identity documents an opportunity to spend a day at a national park of their choice free of charge."

New Security hub for Table Mountain emergencies

"A new security hub will be established at the Table Mountain National Park (TMNP) serving as a new portal for reporting of emergencies and the dispatching of security resources of the mountain.

This is according to DFFE Minister Barbara Creecy, who said the joint operations facility would be the main intelligence collection point for TMNP safety and security matters. The centre will operate in conjunction with all law enforcement agencies."

Key Broadcast coverage

" KNP Media excurion on ENCA"

"Rey Thakhull speaks about preparation for the re-opening of accommodation facilities"

"Rey Thakhull speaks on SANParks' decision to move the annual "free access week" from September to November 2020"

"German Pieterse - member of the Pretoria Region SANParks & Harmony Rangers speaks to RSG discussing the K-9 Project watch dog initiative at SANParks"

"Nandi Mgwadlamba speaks on HeartFM after more than 5km of gill nets were moved and burned by SANParks in the wilderness area of the GRNP"

"West Coast National Park Manager Patricia Sopage speaks to SABC on the flower season visit"

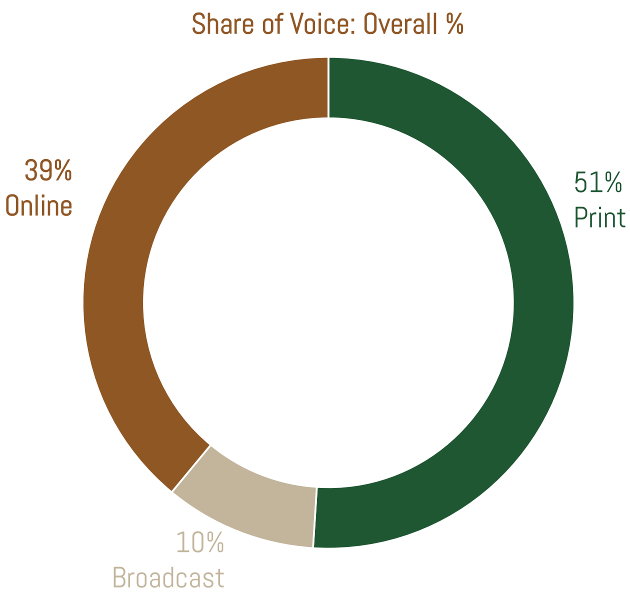
"Ike Phaahla speaks to RiseFM after SANParks approached the Human Rights Commission and the Courts following 2 women slandering one of its camps"

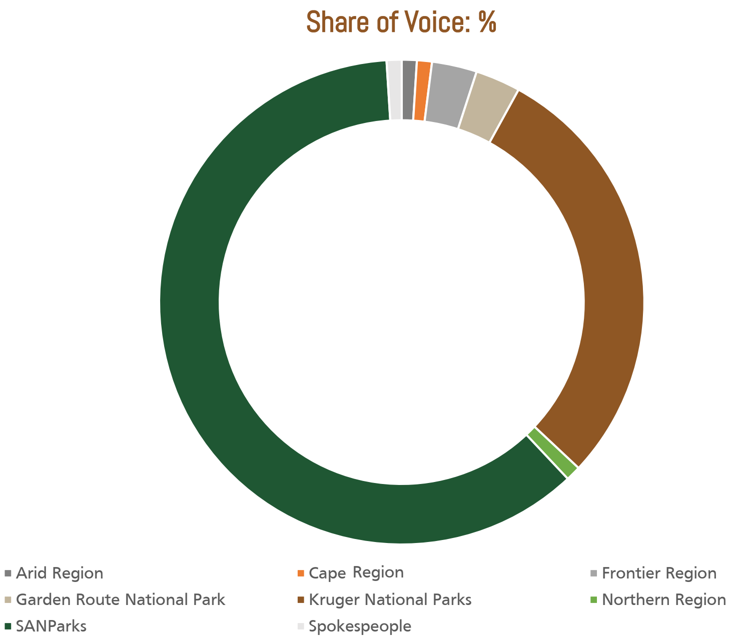
"Vuyiswa Thabethe speaks after Knysna launched a tourist jewel, a collaboration between SANParks and SA Forest Adventures"

"Lucius Moolman interviewed as the Kgalagadi Transfrontier Park celebrates it's 20th"

Media appearance and coverage

SANParks coverage appeared in a broad range of media types on traditional media platforms, representing strong brand media presence, which enabled an even wider reach. Coverage continued to be prominent in top tier English and Afrikaans publications while there was an improved presence in vernacular media notably on radio and in print. Coverage was dominant in the Cape region and lowveld signalling coverage dominance of Kruger, Table Mountain and Garden Route National Parks.

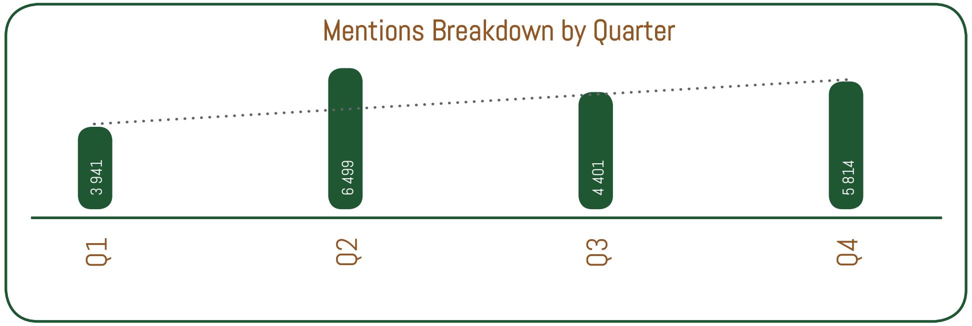




The annual SA National Parks Week programme, hosted in partnership with First National Bank and Total South Africa, received extensive media coverage with features on all national parks receiving coverage on all major media outlets, including commercial, regional and community media. In addition, SANParks maintained a strong social media presence throughout 2020/21. The footprint shows sustained growth in coverage quarter-on-quarter with increased activity and engagements on video-related content around tourism and conservation topics, particularly during the hard nationwide lockdown period.

Favourability / sentiments and reputational threats

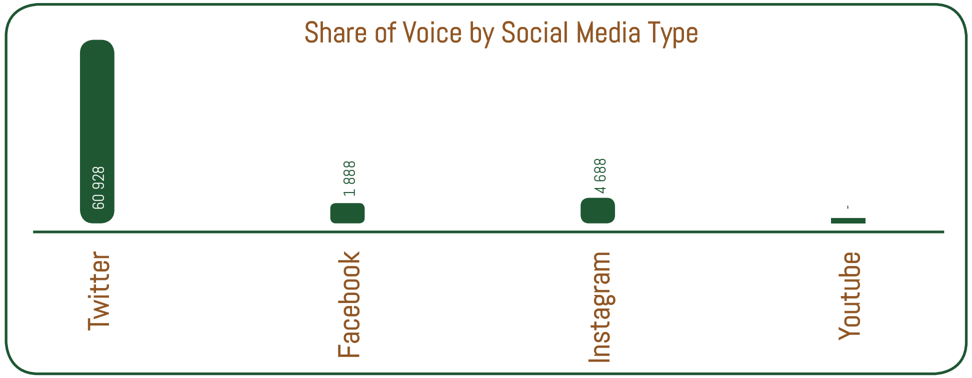
SANParks generated 20 655 mentions this year, a coverage decrease of just over 8,000 mentions from last financial year across traditional media platforms. This is linked largely to the effects of the global pandemic. The hard lockdown period (Q1; Apr-Jun 2020) generated the least coverage.



Social Media

The role of social media is increasingly important as evidenced by the growth in public participation in the various social media platforms in which SANParks engage. For example, the number of forums hosted on the SANParks website has grown by 4.3% from 35 299 to 36 883 over the past year. Similarly, the number of Facebook fans grew by 10.4%, Twitter followers grew by 7.8%, Instagram followers grew by 35.7%, YouTube subscribers grew by 69.3% and LinkedIn followers grew by 32%.

Network	March 2020	March 2021	% Increase	Annual target & increase
Forum Members	35 299	36 883	4.3	n/a
Facebook Fans	211 818	236 551	10.4	3%
Twitter Followers	87 375	94 736	7.8	6%
Instagram Followers	80 648	125 458	34.7	8%
YouTube Subscriptions	3 095	10 100	69.3	2%
LinkedIn Followers	23 586	35 151	32	12%


Share of Voice by Social Media Type
60 928
1 888
4 688
-
Twitter
Facebook
Instagram
Youtube

Institutional Outcome/Performance for Outcome Goal 2

Indicators and target removed during mid-term reviews:

Percentage improvement in CSI rating.

SUB-OUTCOME 10 : IMPROVED TOURISM PERFORMANCE		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Percentage increase in number of visitors to national parks year on year	**Initial Target:** **1,0% up on baseline of 2019/20** **Revised target 1:** **68,3% decline from 6 326 448 to 2 000 000**	On target Visitors declined by 68.4% from 6 326 448 to 1 996 667
Performance Analysis	The number of visitors to National Parks decreased by 68.4% from 6 326 448 to 1 996 667 in 2020/21.	
Reason for Variance	The national lockdown to curtail the spread of COVID-19 in South Africa caused all National Parks to remain shuttered for all of April and May 2020. Limited day-visits by intra-provincial local travellers were allowed from 8 June 2020, with overnight leisure accommodation and inter-provincial travel allowed again from mid-August 2020. Consequently the first quarter of the year recorded limited activity both in tourism revenues and volumes. There was a gradual growth in tourist volumes in quarters 2 to 4, but the year on year comparison continued to show a drastic decline of an average of 70% in revenues and volumes for all three quarters. September was the first month in which a degree of normalcy resumed in our operations due to the lifting of the intra-provincial travel ban; however, the surge in domestic tourist interest and uptake was not sufficient to compensate for the losses incurred in the first five months of the financial year. The expectation that the summer season would usher in significant recovery was impeded by surging local infections, leading to a “second wave” of COVID-19 from December 2020. This resulted in the closure of beaches along most of South Africa’s coast and in turn negatively impacted on visitor numbers to SANParks’ coastal destinations. Flooding in the Kruger National Park and the temporary closure of Lower Sabie due to a localised outbreak of COVID-19 further negatively impacted performance in January and February 2021, though the increased flow of the Orange River over the Augrabies Falls had a temporary positive impact on that park	
Planned Improvement / Corrective Actions	Continued emphasis on marketing and promoting national parks to domestic tourists, through initiating and aggressively marketing innovative initiatives such as. • Brand Marketing - Event marketing e.g. Golden Gate Classics. • Effective collaboration with both public and private sector entities and brands such as SAT, major brands, STOs and Special Interest Groups. • Influencer Marketing Programme to leverage on the influence of those who already have the attention of the non-traditional markets.	

SUB-OUTCOME 10 : IMPROVED TOURISM PERFORMANCE		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Initial Indicator: Percentage increase in accommodation occupancy. **New indicator:** Percentage of accommodation occupancy	**Initial Target:** 0, 2% up from 2019/20 performance projected. **Revised target 1:** 5 % point decline from 2029/20 actual performance (from 59, 0% to 54% for period 1 December 2020 to 31 March YoY). **Revised target 2:** 26,8% (42.6% decrease from 69,4% in 2019/20).	On target Accommodation Unit Occupancy for 2020/21 financial year 29.4%
Performance Analysis	Unit Occupancy declined by 40.0 % points from 69.4% to 29.4% for Q1-Q4 of 2020/1 and is 2.6% points above the target of 26.8%.	
Reason for Variance	The national lockdown to curtail the spread of COVID-19 in South Africa caused all National Parks to remain shuttered for all of April and May 2020. Limited day-visits by intra-provincial local travellers were allowed from 8 June 2020, with overnight leisure accommodation unit occupancy and inter-provincial travel allowed again from mid-August 2020. Consequently the first quarter of the year recorded limited activity both in tourism revenues and volumes. There was a gradual growth in tourist volumes in quarters 2 to 4, but the year on year comparison continued to show a drastic decline of an average of 70% in revenues and volumes for all three quarters. September was the first month in which a degree of normalcy resumed in our operations due to the lifting of the intra-provincial travel ban; however, the surge in domestic tourist interest and uptake was not sufficient to compensate for the losses incurred in the first five months of the financial year. The expectation that the summer season would usher in significant recovery was impeded by surging local infections, leading to a "second wave" of COVID-19 from December 2020. This resulted in the closure of beaches along most of South Africa's coast and in turn negatively impacted on visitor numbers to SANParks' coastal destinations. Flooding in the Kruger National Park and the temporary closure of Lower Sabie due to a localised outbreak of COVID-19 further negatively impacted performance in January and February 2021, though the increased flow of the Orange River over the Augrabies Falls had a temporary positive impact on that park	
Planned Improvement / Corrective Actions	Continued emphasis on marketing and promoting national parks to domestic tourists, through initiating and aggressively marketing innovative initiatives such as. • Brand Marketing - Event marketing e.g. Golden Gate Classics. • Effective collaboration with both public and private sector entities and brands such as SAT, major brands, STOs and Special Interest Groups. • Influencer Marketing Programme to leverage on the influence of those who already have the attention of the non-traditional markets.	

SUB-OUTCOME 10 : IMPROVED TOURISM PERFORMANCE		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Total number of new and diverse tourism products implemented	**Initial Target:** 12 **Revised Target 1 :** 4	On target Four new and diverse tourism products implemented
Performance Analysis	The following Tourism Products were developed and approved in the 2020/21 financial year: (a) TMNP Commercial Abseiling (b) Rhodes Memorial Tearoom (c) KNP Spa at both Berg en Dal and Pretoriuskop Campsites (d) KNP Mobile Spa at Satara, Tamboti, Talamati and Orpen Campsites	
Reason for Variance	No variance recorded	
Planned Improvement / Corrective Actions	No corrective actions required	

SUB-OUTCOME 10 : IMPROVED TOURISM PERFORMANCE		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Responsible Tourism Measures determined	Measures, baselines and targets for responsible tourism determined	On target A responsible tourism toolkit for measuring targets for responsible tourism was developed and approved by the Board.
Performance Analysis	The finalised Responsible Tourism Toolkit was approved by the Board	
Reason for Variance	None required	
Planned Improvement / Corrective Actions	None required	

3.3 SOCIO ECONOMIC TRANSFORMATION

OUTCOME GOAL 3 : SUSTAINABLE SOCIO ECONOMIC DEVELOPMENT PROGRAMME THAT ENSURES DELIVERY OF BENEFITS TO THE LAND CLAIMANTS, HISTORICALLY DISADVANTAGED COMMUNITIES AND THE PEOPLE OF SOUTH AFRICA.

PURPOSE

To create a robust finance strategy for financial sustainability of the organisation. To create and maintain a conducive workplace for skilled and capable workforce that will form a responsive, accountable, effective and efficient national parks system.

SUB OUTCOMES

- Transformation of the wildlife economy through increase PDI participation.
- Baseline of communities accessing natural resources determined
- Improved participation of PDIs in SANParks' business.
- Improved Education and skills
- Sustained corporate investment towards community development

3.3.1 SOCIO-ECONOMIC TRANSFORMATION

Mr. Xola Mkefe
HEAD:SOCIO ECONOMIC TRANSFORMATION

SANParks plans to contribute towards the transformation of the wildlife economy through increased PDI participation and improving the access of communities for the sustainable use of natural resources. By facilitating training of QSEs, EMEs, and SMMEs and providing opportunities, it aims to improve PDI participation in its business. It will also continue with its social investment projects towards community development and improving the land claimants' participation in SANParks business opportunities.

Socio-economic transformation is one of SANParks' key areas of activity and consists of five programmes, namely biodiversity economy; social legacy; broad-based black economic empowerment; land claims; environmental awareness and capacity building. Across the spectrum of social, cultural and economic needs, the SET Unit promotes and facilitates implementation of programmes to ensure sustainable benefits to communities living near national parks. Important strategic partnerships at local, regional and national levels with government departments, the private sector and non-governmental organisations assist with unlocking opportunities to strengthen local economies, create sustainable jobs, develop supplier enterprises and bring about skills training and social development within communities.

Biodiversity economy programme

The biodiversity economy programme promotes access to, and sustainable utilisation of, natural resources (wildlife, marine and plants) found in and around national parks. SANParks has committed to donate and/or loan game to emerging game farmers and communities as well as provide access to sustainable harvesting of natural plants in national parks, where they are available.

Wildlife Economy

This programme supports emerging game farmers' entry into and ascent within the mainstream South African wildlife economy value chain which is centred on stocking, trading and breeding game as well as enhancing the tourism experience. During the year, a total of 530 animals were delivered to 11 emerging game farmers and/or communities. In addition, the Department of Forestry, Fisheries and Environment has funded the implementation of

Water tanks donatins

the wildlife economy infrastructure development projects, to the value of R65 million to benefit five communities viz Mahumani, Makuya and Awelani (near Kruger National Park), Riemvasmaak (near Augrabies Falls National Park) and Baphalane (near Marakele National Park). The planning phase has commenced.

Kruger National Park meat donation

Meat derived from the off-take of impala, elephant and hippo was donated to communities to improve nutrition and livelihood support. During the year 1 697 kg of elephant and 300 kg of impala meat was donated to 17 school feeding programmes, reaching 11 053 learners. In addition, 200 kg of impala, 440 kg of hippo and 75 kg of elephant meat was donated to

15 Traditional Councils.

Marine economy

Since the opening of three fishing zones in the Tsitsikamma Marine Protected Area, a total of 401 anglers were provided access to fishing opportunities.

Plant harvesting

- 11 harvesting requests were received in Golden Gate Highlands National Park this year with permits issued for nine grass and two medicinal plant harvesting requests. Sixty two people benefited from the 11 permits issued.
- Thatch grass harvesting for domestic use - 118 bundles of thatch grass were harvested for Maluti residents (38 bundles) and Hlatseng residents (80 bundles), with 62 bundles of reed grass harvested for Maluti residents.
- Grass harvested for commercial use from Golden Gate Highlands National Park – the total number of bundles harvested this year is 6892 with a total expected yield of R263 125.
- Sour fig harvesting in Agulhas National Park - Four community groups were issued permits by Cape Nature to harvest sour fig in Agulhas National Park. Income generated by these communities from the harvest amounts to R129 668 for 11 408 kg of harvested figs (i.e. R123 068 for 11 188 kg of dried sour figs; R6 600 for 220 kg of soft/juicy sour figs).
- KNP Indigenous tree donation - 95 trees donated for greening project to Traditional Councils and schools around Kruger National Park. These comprised 15 pepper bark (Warburgia salutaris) and 80 other indigenous trees.
- Tsitsikamma alien plant harvesting – permits were renewed for seven contractors to harvest pine and gum trees and other alien plants from SANParks land and an additional 10 young men were issued with permits to harvest alien plants within the forest.
- Timber harvesting in Garden Route National Park – a feasibilty study was undertaken to provide information on the viability of indigenous timber harvesting in Garden Route National Park for manufacturing of products to ensure participation of disenfranchised affirmative enterprises within the timber manufacturing sector.
- In addition, two access permits for spiritual purposes were granted in Kruger National Park to three registered traditional healers.

Social Legacy programme

The Social Legacy programme collaborates with local municipalities and provincial and national government departments to provide much-needed services to communities bordering national parks, and in so doing contributes to government's social development mandate.

SANParks COVID-19 relief programme

During the pandemic, SANParks heeded governments call to provide support to affected communities. SANParks' COVID-19 relief programme provided food parcels, hygiene products and personal protective equipment, water tanks and awareness materials to more than in 267 communities, 8500 households in the most vulnerable communities bordering national parks. SANParks further partnered with the private sector and NGOs, including Honorary Rangers, TOTAL SA, UNDP, Siya Kolisi Foundation, Wilderness Foundation and Oak Foundation to provide additional water tanks and food parcels.

Science Labs

Two science labs have been provided to Bunny Khosa and Jacob Mdluli High Schools in communities bordering Kruger National Park.

Broad-based black economic empowerment

Enterprise supplier development programme

In line with its aim of contributing to broad-based black economic empowerment objectives, SANParks awarded contracts to 87 Exempted Micro Enterprises (EME's) and Qualifying Small Enterprises (QSEs). Of these 87 contracts awarded, 15 were awarded to youth companies. Four other enterprise opportunities were awarded during the year under review, namely

- A tour operation contract was awarded to four QSEs to provide transport for a period of five years by Shalati Accommodation, a Kruger National Park concessionaire
- A water-based taxi opportunity was awarded to a local EME to operate on Knysna estuary within the Garden Route National Park.
- Two lodges within Kruger National Park, namely Phalaborwa and Letaba Lodges, were awarded to affirmative companies, one of which is women-owned.

Enterprise Skills Development Programme

This programme aims to improve the performance and productivity of active enterprises within the tourism sector. Three major initiatives this year are:

- SANParks, in partnership with its concessionaire Shalati, provided two-year training to two young enterprises in confectionary production. After the completion of the training, the entrepreneurs will supply confectionary products to Shalati.
- In partnership with National Department of Tourism, coaching and mentoring was provided to 127 tourism enterprises around Phalaborwa and Bushbuckridge.
- In partnership with First National Bank, enterprise development training was provided to 100 enterprises around Phalaborwa and Bushbuckridge.

Land claims programme

QwaQwa Land Claim (Golden Gate Highlands National Park)

The beneficiation package for the QwaQwa Land Claimants was finalised and approved by the Board in March 2021. This will form an addendum to the settlement agreement that will be signed with the claimants in the new financial year. The consolidated settlement agreement is being drafted by the Land Claims Commission. The beneficiation package is comprised of business and non- business opportunities and activities that will be implemented in partnership with SANParks and other potential partners. It includes participation in guided hiking trails, opportunity to run 4x4 drives or trails, quad and mountain biking, development of a camping site and hosting of cultural events, abseiling, 5% share in income from game offtakes from the park, 5% preferential share equity on future selected commercial opportunities in the park, access to the park for spiritual purposes, access to natural resources in the park; skills training and game donation to establish a wildlife economy project on community land outside the park.

Kruger National Park Land Claim

Negotiations between the Kruger National Park and land claimants is ongoing. An independent mediator to finalise the KNP Beneficiation Scheme has commenced with his work.

Capacity building and training

The purpose of this programme is to introduce communities and individuals to opportunities presented through the national park system. This year 593 individuals were trained across national parks in skills as diverse as business and project management, financial management, hospitality, SMME and supplier development business exposure, honey bush tea and crop production.

Environmental education and awareness programme

SANParks, through environmental education programmes, promotes environmental ethics whilst facilitating understanding and appreciation of the SANParks mandate. A total of 171 groups, comprising 83 school groups and 90 organised community groups, were part of such programmes at various national parks during the 2020/21 financial year. Activities included celebration of environmental calendar days, community awareness campaigns and park day visits. Day visit programme activities include "knowing your national park" and its history, appreciating environmental challenges and how to respond to these and fun activities such as hiking, game drives, horse riding, canoeing and others.

Environmental calendar day celebrations

World Ranger Day - Celebrated on 31 July, this day commemorates rangers killed or injured in the line of duty and celebrates their work to protect the world's natural and cultural heritage. Due to COVID-19, World Ranger Day was celebrated virtually through video interviews with three rangers, namely Koos Josop, Gavin Links and Stanley Strauss, which were shared on social media.

Arbor Day - Celebrated in September annually, Arbor Day included diverse activities in various parks. For example, Knysna launched a greening project with the planting of 78 trees from SANParks' Diepwalle nursery and donated by DFFE in communities around the park. Wilderness celebrations took place at a local community crèche where seedlings and trees were planted. In Camdeboo and Karoo National Parks Arbour Week was celebrated with tree planting in the park and in adjacent communities, including a donation of 70 trees from the Western Cape Department of Water Affairs. Golden Gate Highlands National Park celebrated at Witsieshoek Intermediate and Tseki Secondary Schools in QwaQwa by planting 10 trees.

International Coastal Clean-up Day - Knysna staff, Working for the Coast teams, Honorary Rangers and volunteers celebrated International Coastal Clean-up day by collecting over 2 000 black bags full of waste, 743 of which will go for recycling. Similar efforts in Wilderness included the Mayor of George and members of council.

Marine Month - A programme was hosted in Agulhas National Park on 17 October 2020 with interactive interpretation sessions at Stinkbaai in L'Agulhas with marine biologist Professor Gavin Maneveldt from the University of the Western Cape. Prof Maneveldt is a regular visitor and contributor to the Agulhas National Park eBulletin. This is a successful annual event on the Agulhas events and conservation calendar over the years.

SANParks Week - This was celebrated from 16-22 November 2020. SANParks opened doors to South African citizens with free access into national parks to enjoy and experience their beauty. This year 39 841 people came through the gates free during this week.

World Wetlands Day - This is observed annually on 2 February to raise global awareness about the vital role of wetlands for people and our planet. Wilderness and Knysna celebrated the day with different stakeholders participating in a webinar, hosted by the Working for Water programme of the Western Cape Department of Environment. Golden Gate Highlands National Park celebrated internally with children residing in the park to raise awareness on the importance of wetlands while Mapungubwe National Park also celebrated internally with Biodiversity Social Projects staff on the theme of "wetlands, water and life". The annual Wetlands Birding Day was held on 20 February 2021 at Agulhas National Park with 31 people attending a day of talks, birding, canoeing and walks.

Water Week - Observed in March each year, the campaign is aimed at educating the public about their responsibility in water conservation initiatives, raising awareness around the need to protect and conserve the country's water resources. Diverse activities across the majority of parks were undertaken. In Agulhas, a programme was conducted in and around the Soutbosch area of the park over 2 days with 39 and 27 people attending respectively. The programme included birding, canoeing, walking and talks with information posters and displays in the old farmhouse. Augrabies Falls' Water Week was celebrated with the Academy for Environmental Leadership and NCR TVET Namaqualand Campus where a water information session was done around the theme of "how we value water". The session was concluded with information on the high levels of the Orange River and its impact and students were provided SANParks-branded two minute shower timers to encourage them to save water. Bontebok National Park hosted Anglican Church Youth and VRT Pitt Primary School during water week and collaborated with Swellendam Municipality on a water week clean-up campaign. Staff in Karoo National Park visited five schools as part of their Water Week campaign and Marakele National Park ran a programme with Thabang Children's Project raising awareness on water conservation and rainwater harvesting. Wilderness staff hosted a group of tourism students from the George community-learning centre to conduct mini-SASS river health monitoring in the Touws River to assess water quality condition. The group was also guided on the Half-collared Kingfisher trail.

Kudu Green School Initiative – This initiative aims at promoting climate change literacy by assisting leaners to identify environmental challenges in their communities that contribute to climate change and encourage them to come up with responsive measures to reduce the impact of climate change. Golden Gate Highlands National Park held a camp from 29–31 March 2021 with young people from QwaQwa Youth in Action. The group participated in climate change discussions, activities and games designed to raise awareness on the matter.

Other Campaigns – A number of other campaigns took place throughout the year at various parks. These included

- Golden Gate Highlands National Park hosting Junior Rangers from Pretoria Region's Honorary Rangers on a camp from 14–19 December 2021, with the full environmental education programme presented to the group.

- Table Mountain National Park partnered with SANBI's Kirstenbosch National Botanical Gardens in conducting an awareness programme at Newlands forest to raise awareness and understanding of biodiversity crime and its impact on the natural environment and livelihoods. Through a hands-on approach and forest experience hike, youths from neighbouring communities were exposed to illegal activities currently affecting biodiversity in Newlands forest. Through this awareness program, the park aims to encourage a passion for the environment and a sense of responsibility in protecting the environment for current and future generations.

- Tsitsikamma staff, in collaboration with the South African Police Service and Working on Fire embarked on a drug and fire awareness campaign in Coldstream in July 2020. The focus for drug awareness was on boys from age of 13 upwards whilst fire awareness targeted everybody. The team visited about 380 households.

- Eleven Botjhabela community members were empowered by theoretical and practical induction training by Golden Gate BSP staff on effective alien species removal as the Mabolela area is heavily infested with aliens. Poplars were cleared at Mabolela Bridge near Sephokong School.

ENCA live broadcast in Skukuza – in August 2021 on the reopening of accommodation.

Dr Luthando Dziba handing out food parcels to the Mathibela community.

Institutional Outcome / Performance for Outcome Goal 3

Indicator and/ or targets removed during mid-term reviews:

The target of: 20 % implementation of the Addo Elephant NP beneficiation package removed from the indicator of: Claimant Beneficiation Scheme developed and implemented as per Land Claims identified. 20 % implementation of the Addo Elephant NP beneficiation package.

SUB- OUTCOME 11: TRANSFORMATION OF THE WILDLIFE ECONOMY THOUGH INCREASED PDI PARTICIPATION		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Number of animals delivered to communities and individual emerging game farmers	**Initial Target:** 750 animals delivered **Revised Target 1 :** 500 animals delivered	Target Exceeded 530 animals were delivered to communities and individual emerging game farmers.
Performance Analysis	Cumulatively, 530 animals were delivered. The annual target of 500 animals has thus been achieved and exceeded. The 1.3% mortality rate experienced is well below industry standard for capture and translocation of wild animals.	
Reason for Variance	More animals were captured and delivered because it is challenging to capture the exact number of animals during mass capture operations. These animals are still within the number of animals planned for the MTSF.	
Planned Improvement / Corrective Actions	No corrective actions required	

SUB- OUTCOME 11: TRANSFORMATION OF THE WILDLIFE ECONOMY THROUGH INCREASED PDI PARTICIPATION		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Number of full- time equivalent employment (FTEs) job opportunities created through **EPWP**	**Initial Target:** EPWP FTEs : ≥ 5 400 Other jobs: ≥ 400 **Revised Target 1:** EPWP FTEs: ≥ 3 542 Other jobs: ≥ 200 **Revised Target 2;** 4 285 Full time equivalent employment (FTEs) job opportunities created	Target exceeded 4 741 FTEs job opportunities created 322 other jobs were created
Performance Analysis	The achievement of 4 741 FTEs is better than planned, i.e. exceeds the target with 11%	
Reason for Variance	The EPWP programme performed well under difficult conditions with COVID-19 related impacts. More people were employed in the Wetlands, Working for Water and Working for Ecosystems projects due to added financial resources from Presidential Employment Stimulus Fund (PES) and this helped to ensure targets were achieved. The positive variance is therefore the result of the PES Funds received in November 2020 which allowed SANParks to provide employment for 5 (five) months.	
Planned Improvement / Corrective Actions	No corrective actions needed.	

SUB- OUTCOME 11: TRANSFORMATION OF THE WILDLIFE ECONOMY THROUGH INCREASED PDI PARTICIPATION		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Number of jobs created for youth, women, and people with disabilities through EPWP	**Initial Target:** ≥ 5 500 **Revised Target 1:** ≥ 3 285 **Revised Target 2:** Youth EPWP: ≥ 5 993	Target exceeded Youth EPWP: 6 927
	Initial Target: ≥ 4 500 **Revised Target 1:** ≥ 2 777 **Revised Target 2:** Women EPWP: ≥ 5 080	Target exceeded Women EPWP: 5 844
	Initial Target: ≥ 210 **Revised Target 1:** ≥ 80 **Revised Target 2 :** People with disabilities EPWP: ≥ 260	Target exceeded People with disabilities EPWP: 271
Performance Analysis	The number of jobs created for Youth, Women and People with Disabilities in the EPWP Programme exceeded the annual targets, i.e. 16% for Youth, 15% for Women and 4% for People with Disabilities.	
Reason for Variance	The number of women, youth and people with disabilities increased cumulatively for the year to date. All the EPWP projects employed more people throughout the year to make provision for the COVID-19 impacts, i.e. person days lost due to isolation and quarantine, as well as travelling restrictions. The Presidential Employment Stimulus Funds received assisted to retain EPWP participants, and to appoint more people.	
Planned Improvement / Corrective Actions	No corrective actions required.	

SUB- OUTCOME: 12: BASELINE OF COMMUNITIES ACCESSING NATURAL RESOURCES DETERMINED		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Baseline of communities accessing natural resources determined	Baseline determined	On target The baseline for natural resources requested by communities was determined
Performance Analysis	The baseline for natural resources requested by communities was determined.	
Reason for Variance	No variance recorded	

SUB- OUTCOME: 12: BASELINE OF COMMUNITIES ACCESSING NATURAL RESOURCES DETERMINED		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Planned Improvement / Corrective Actions	• A more coordinated integrative approach is required for the implementation of Resources Use within SANParks; • An integrative management approach, based on new knowledge (research) and findings, led to the establishment of Project Portfolios for local communities to improve access to resources in a sustainable way; • A workshop between Scientific Services and SET was held to integrate the needs of both indicators, add values and set the foundation for the development of an integrative resource management approach.	

SUB- OUTCOME 13: IMPROVED PARTICIPATION OF PDIs IN SANPARKS BUSINESS		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Number of SMMEs contracted for provision of services and goods	**Initial target:** ≥ 530 SMMEs contracted **Revised Target 1:** ≥ 316 SMMEs contracted: EPWP **Revised Target 2 :** > 518 SMMEs (EPWP) contracted for provision of services and goods.	Target exceeded 690 SMMEs (EPWP) contracted for provision of services and goods through the EPWP . Total of 87 SMME were awarded contracts against the annual target of 30 SMMEs
Reason for Variance	All EPWP programmes employed additional SMMEs to make provision for the additional funds received from the Presidential Employment Stimulus (PES) Fund. The PES infrastructure projects employed 38 SMMEs since November 2020, while the DFFE NRMP Working for Water, Working for Ecosystems and Wetlands employed more teams for land rehabilitation with the PES Funds received. There were more SMME opportunities awarded to address COVID 19 related impacts on the social economic wellbeing of communities.	
Planned Improvement / Corrective Actions	No corrective actions required	

SUB- OUTCOME 13: IMPROVED PARTICIPATION OF PDIs IN SANPARKS BUSINESS		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Number of SMMEs contracted for provision of services and goods	BBBEE spent: 65%	Work in progress Total BBBEE Spent (YTD) is R686 051 424 (61%)
	30% outsourced opportunities to EMEs and QSEs by main contractors	On target 30%
Performance Analysis	The total procurement spent for the year under review (April 2020 to March 2021) is R1 130 634 706 of which R686 051 424 was spent on BBBEE and thus constituting 61% of the total spent. Based on the cumulative target of 65% there is an under achievement by 4%. 30% of outsourced opportunities were allocated to EMEs and QSEs by main contractors.	

SUB- OUTCOME 13: IMPROVED PARTICIPATION OF PDIs IN SANPARKS BUSINESS		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Reason for Variance	There is an overall under achievement against the annual BBBEE target of 65% as a result of the COVID-19 Pandemic Alert Level 5 Lockdown. This resulted in under achievement in Q1 and Q2 targets which contributed significantly to underachievement for the year under review. By and large, business in the Conservation and Tourism Industries are relatively untransformed.	
Planned Improvement / Corrective Actions	o Develop the procurement strategies that are biased towards the designated groups (Women, youth and PWD owned enterprises) and EMEs or QSEs o Where feasible encourage sub-contracting 30% for projects that are above R 30 million to EMEs or QSEs o Accelerate the finalisation of the policy and implementation of Enterprise and Supplier development	

SUB- OUTCOME 14: IMPROVED EDUCATION AND SKILLS		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Number of beneficiaries from targeted groups trained	≥ 450	Target exceeded 593 beneficiaries trained from targeted groups
Performance Analysis	Target exceeded	
Reason for Variance	The annual target is exceeded due to quick transition on the use of partners and both asymmetric symmetric approaches. The use of network centres also contributed to the achievement of the target.	
Planned Improvement / Corrective Actions	More coordination and training programme guidelines	

SUB- OUTCOME 14: IMPROVED EDUCATION AND SKILLS		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Number of programmes aimed at upskilling youth	1	On target A Food-Gardening and Medicinal Plant Programme developed. Training models also incorporated SMME and Supplier Development Model as part of the programme.
Performance Analysis	A Food-Gardening and Medicinal Plant Programme developed. Training models also incorporated SMME and Supplier Development Model as part of the programme	
Reason for Variance	None	
Planned Improvement / Corrective Actions	Internal programme integrative approach and enhancement of strategic partnerships with government and non-government entities.	

SUB- OUTCOME 14: IMPROVED EDUCATION AND SKILLS		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Number of schools accessing the national parks for educational purposes	**Initial Target:** ≥ 200 per annum. **Revised Target 1:** ≥ 50 per annum.	Target exceeded 83 schools accessed national Parks for educational purposes.
Performance Analysis	83 schools participated in SANParks Environmental Education Programmes. The cumulative annual target however was exceeded by 31 school groups.	
Reason for Variance	Due to the easing of COVID-19 restrictions previous bookings that were postponed took place; pre-planned trips through partnerships took place and National Parks Week marketing increased interest.	
Planned Improvement / Corrective Actions	Early engagements with school districts to find mechanisms to deliver within the COVID-19 new normal in order to ensure safety of learners, educators and our staff and visitors.	

SUB- OUTCOME 15: SUSTAINED CORPORATE SOCIAL INVESTMENT TOWARDS COMMUNITY DEVELOPMENT		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Number of individuals/communities where Social Legacy (COVID-19 Community Relief programme) projects have been completed	Initial Target: ≥ 3 Revised Target 1: ≥ 30	Target exceeded A total of 267 communities benefited from the relief programme implemented.
Performance Analysis	The annual target of 30 communities was overachieved. A total of 267 benefitted from the Community Relief Programme.	
Reason for Variance	No funds were available to provide the relief in the fourth quarter. The original target was set based only on SANParks allocated funds. The overachievement was a result of partnerships forged with a number of stakeholders including Total SA, Honorary Rangers and the Siya Kolisi Foundation who significantly increased the number of food relief initiatives that were implemented.	
Planned Improvement / Corrective Actions	No corrective actions required	

SUB- OUTCOME 16: IMPROVED PARTICIPATION OF LAND CLAIMANTS IN SANPARKS BUSINESS		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Claimant Beneficiation Scheme developed and implemented as per Land Claims identified	**Initial Target:** 20% implementation of the KNP beneficiation scheme. **Revised Target 1:** KNP land claims beneficiation scheme developed. **Revised Target 2:** 60% of the activities on the KNP land claims implementation plan implemented.	Target exceeded 85% (17/20) activities on the KNP land claims implementation plan were implemented.
	Initial Target: 20% implementation of the Qwaqwa (Golden Gate HNP) land claims beneficiation scheme developed. 20% implementation of the Addo Elephant NP beneficiation package. **Revised Target 1:** QwaQwa Land Claim beneficiation package developed. **Revised Target 2:** Addo Elephant NP target removed.	On target The Qwaqwa Land Claim Beneficiation Package was developed and approved by the Board.
Performance Analysis	The cumulative achievement of 85% activities on the KNP implementation plan equates to 17 out of 20 activities implemented. The Q4 targets for both the QwaQwa and KNP land claim beneficiation schemes have been achieved with 4/5 of activities in KNP implemented and the QwaQwa Land claim beneficiation package developed and approved by the Board.	
Reason for Variance	No variance recorded.	
Planned Improvement / Corrective Actions	Following the deadlock towards finalisation of the KNP implementation plan, an independent facilitator was appointed by the land claims Commissioner's office to engage all affected parties to find a lasting solution. The community legal advisors however raised objections in the manner in which meetings were to be held with communities. As a result, the facilitator has neither engaged the leadership of the communities nor SANParks. The matter has been referred back to the Commission to resolve. Without the mutual agreement of the terms and conditions of the implementation plan, it will be difficult to implement the scheme. The matter could further be delayed if the intention of the legal representatives is to take it to the land claims court. The worst case scenario is if the matter is referred back to Cabinet. The Commission has appointed the Independent Facilitator to mediate in the matter.	

3.4 SUSTAINABLE ORGANISATION

OUTCOME GOAL 4

SUSTAINABLE AND TRANSFORMED ORGANISATION THROUGH REVENUE, PEOPLE, SYSTEMS, BUSINESS PROCESSES AND INFRASTRUCTURE.

PURPOSE:

- To create a robust finance strategy for financial sustainability of the organisation
- To create and maintain a conducive workplace for skilled and capable workforce that will form a responsive, accountable, effective and efficient national parks system.

SUB OUTCOMES:

1. Financially sustainable organisation
2. Transformed and capable human capital
3. Efficient, innovative and business processes supportive of SANParks core business
4. Sound corporate governance
5. Effective stakeholder and partnership management
6. Appropriate and well maintained infrastructure

Implementation of Outcome Goal 4 is reported on in Parts C, D and E of this report.

Skukuza Court Opening

Institutional Outcome / Performance for Goal 4

Indicators and/or target removed during mid-term reviews:

Organisational standard on turn-around times for critical business processes developed

SUB-OUTCOME 17: FINANCIALLY SUSTAINABLE ORGANIZATION		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Revenue raised through resource mobilisation	**Initial Target:** R85 million. **Revised Target 1:** R65 million	Work in progress R50 775 688 in the 2020/21 financial year
Performance Analysis	R50 775 688 was raised through resource mobilisation, this constitutes 78% of the annual target set.	
Reason for Variance	While concerted efforts were made by the team during Q1 and 2, it did not reap the targeted awards. The donor funding environment changed drastically due to the pandemic. Many donors focused on healthcare and related socioeconomic assistance in severely affected areas.	
Planned Improvement / Corrective Actions	SANParks will continue with its mobilisation plans including the following: • Research on and identification of potential donors based on the SANParks strategies, synergies with donor focus areas and development of bankable proposals. • Mobilising resources from the Private Sector; Multi-lateral agreements; Trusts and Foundations; Individual donors through donations and bequests and crowd funding. • Develop memorandum of agreements, which include key area of delivery, donor score cards, implementation plans and impact data.	
Revenue raised through Tourism **Performance**	**Initial Target:** R2,1 billion **Revised Target 1:** R189 million	Target exceeded Revenue realised through Tourism performance in the 2020/21 financial is R618 748 000
Performance Analysis	The target was achieved as a result of opening parks earlier than the anticipated, attracting local visitors to parks and exceeding expected numbers.	
Reason for Variance	The actual revenue raised through Tourism is higher than revised APP target by R430 000 000. This is as result of opening parks earlier than the anticipated, attracting local visitors to parks and exceeding expected numbers. This is despite the fact that South Africa experienced the 2nd wave of COVID-19 infections during the months when SANParks normally receives the highest number of visitors and generates the largest proportion of its revenue.	
Planned improvement / Corrective Actions	Continued emphasis on marketing and promoting national parks to domestic tourists, through initiating and aggressively marketing innovative initiatives.	
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Revenue raised through Wildlife sales	**Initial Target:** R8 million **Revised Target 1:** R4 million	Target exceeded R4 616 million for 2020/2021

SUB-OUTCOME 17: FINANCIALLY SUSTAINABLE ORGANIZATION		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Performance Analysis	Wildlife sales exceeded the target revenue by R600 000. The positive performance was achieved through virtual auctions held; a new initiative employed due to the COVID-19 Pandemic.	
Reason for Variance	The original target for 2020/21 was R8 000 000 but this was reduced to R4 000 000 at the mid-term review in July 2020 because of uncertainty relating to impact of the COVID-19 Pandemic on the Game Industry. The virtual auction, against all expectations, proved to be very successful and this contributed significantly to the positive variance on the revised target.	
Planned improvement / Corrective Actions	No corrective actions required	
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Income to Cost Ratio	**Initial Target:** 1:1 **Revised Target 1:** 0.64 : 1	Target exceeded 0.97 : 1
Performance Analysis	Expense equaled R221 715 000. The actual revenue is R2 240 713 000 (12.73%) more than the budget of R1 987 698 000. This is as result of improvement in tourism income and also special project expenditure which is not yet fully accounted for. Expenditure reflects a variance of 9% due to savings on operational costs and under expenditure on maintenance costs	
Reason for Variance	A slight variance is recorded as Income to cost ratio is recorded at 0.97:1 against a target of 0.64:1, due to the revenue being more than the budget.	
Planned improvement / Corrective Actions	Continuous monitoring of the cost curtailment measures to further strengthen the saving on cost of operations. In addition, more efforts to encourage targeted marketing drives to improve the revenue generation in the new financial year	

SUB-OUTCOME 18: TRANSFORMED & CAPABLE HUMAN CAPITAL		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Percentage of women in management positions	**Initial Target:** 41% **Revised target 2 :** 39.9%	On target 39.9%
Performance Analysis	The target was achieved even though only critical posts are currently being filled. This suggests there is room for improvement once the financial position of the organisation stabilises and recruitment for vacancies returns to normal.	
Reason for Variance	None.	
Planned Improvement / Corrective Actions	Increase efforts to retain females in management positions.	
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Percentage of people with disabilities increased	**Initial Target:** 2% **Revised Target 2 :** 1,5%	Off Target 1,1 %

SUB-OUTCOME 18: TRANSFORMED & CAPABLE HUMAN CAPITAL		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Performance Analysis	The annual target was not achieved	
Reason for Variance	All disability disclosures must be accompanied by a doctor's note. Due to movement restrictions, assistance with obtaining such notes could not proceed during lockdown. In addition, due to financial constraints, only critical vacancies are being filled and the planned targeted recruitment in partnership with the Board of People Living With Disabilities did not realise.	
Planned improvement / Corrective Actions	Assist with the verification on disability disclosures. Roadshows to parks to prioritise targeted recruitment for PWD.	
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Black as a percentage of management increased	**Initial Target:** 64% **Revised Target 2 :** 62,5%	On target 62.4%
Performance Analysis	On target	
Reason for Variance	N/A	
Planned improvement / Corrective Actions	Increased efforts to recruit of black managers.	
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Percentage of payroll spent on skills development programme	**Initial Target:** 2,3% **Revised Target 1 :** 1%	1% target that is R11,1 million
Performance Analysis	On target	
Reason for Variance	The training budget was significantly reduced due to cost curtailment measures in response to the financial impacts of the pandemic. Therefore only compliance training was conducted.	
Planned improvement / Corrective Actions	Increased efforts to recruit black managers.	
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Number of Impact Assessment conducted on strategic group training intervention	**Initial Target:** Impact assessment tool developed. **Revised Target 2 :** Draft Impact Assessment Tool development.	On target Draft Impact Assessment Tool developed
Performance Analysis	On target	
Reason for Variance	No variances recorded	
Planned improvement / Corrective Actions	None required	

SUB OUTCOME 19 : EFFICIENT, INNOVATIVE AND BUSINESS PROCESSES SUPPORTIVE OF SANPARKS CORE BUSINESS		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Specifications for Integrated Information Decision Support Tool developed	**Initial Target:** Specifications for Integrated Information Decision Support Tool developed. **Revised Target 2 :** Draft proposal on approach developed.	On target Draft proposal (project charter) on approach developed
Performance Analysis	On target	
Reason for Variance	No variance recorded	
Planned Improvement / Corrective Actions	No corrective actions required.	

SUB-OUTCOME 20: SOUND CORPORATE GOVERNANCE		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Initial Indicators: Level of ERM maturity approved. Percentage implementation of ERM. **These two indicators were amalgamated and reviewed to:** **Revised Indicator:** Percentage Ethics Strategy and policy approved and implemented.	**Initial Target;** Level of ERM maturity approved. Monitor and review implementation of ERM. **Revised Target 2 :** Ethics Strategy and Policy approved by the Board. 95% implementation.	Work in progress Ethics Strategy and Policy approved by the Board. 92 % (11/12) implemented, with one item outstanding
Performance Analysis	The annual Ethics Implementation and Maturity Improvement Plan consists of 12 initiatives to be completed. During Q3, 9 of the initiatives had already been completed. The planned target for Q4 was to complete 3 initiatives (25%) on the plan. Only 2 of the 3 initiatives were completed for the quarter.	
Reason for Variance	Only one item on the Ethics Plan was not completed, namely the Fraud Risk Assessment (FRA). This is mainly due to the fact that a Senior Manager: Fraud Risk Management, was only appointed at the beginning of Q3. A draft FRA has been updated for the FY2020-21, but not yet completed in full.	
Planned Improvement / Corrective Actions	Prioritisation of the FRA by the Senior Manager: Fraud Risk Management for completion in Q1 of 2021-22	

SUB-OUTCOME 20: SOUND CORPORATE GOVERNANCE		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Percentage Execution of the Internal Audit Plan	**Initial Target:** 80% **Revised Target 2:** 50%	Off Target 33% (2/6) of the Internal Audit plan executed.
Performance Analysis	Off target. Only 33% of the amended IA plan implemented.	

SUB-OUTCOME 20: SOUND CORPORATE GOVERNANCE		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Reason for Variance	The cancellation of the tender process to appoint an internal audit service provider to capacitate the in-house internal audit function and the delay in the re-tender process to advertise the internal audit tender contributed to the underachievement. An intervention teams to assist with the execution of the amended internal audit plan for 2020/21.	
Planned Improvement / Corrective Actions	A panel of internal auditors to be appointed to ensure the timeous implementation of the Internal Audit Plan was appointed for 2021/22. Progress in this regard is advanced and internal audit capacity should be strengthened by end of Q1 2021/2022.	

SUB-OUTCOME 20: SOUND CORPORATE GOVERNANCE		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Percentage of corrective actions implemented	50% corrective actions implemented Self-assessments conducted	Off target 60% (3/5) of corrective actions implemented. Self- assessment was not conducted
Performance Analysis	Off target. Only 60% of corrective actions implemented	
Reason for Variance	Self-assessments have not been conducted due to the late completion of the audit reports in March.	
Planned Improvement / Corrective Actions	Self-assessments to be conducted by the end of the 1st quarter of 2022	

SUB-OUTCOME 21: EFFECTIVE STAKEHOLDER AND PARTNERSHIP MANAGEMENT		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
(a) Stakeholder and partnership management strategy developed and approved	Stakeholder and partnership management strategy developed and approved	On target Stakeholder Engagement Management Plan was developed and approved by the Board
Performance Analysis	A stakeholder engagement management plan was developed and approved by the Board	
Reason for Variance	No variances recorded	
Planned Improvement / Corrective Actions	None required	
(b) Stakeholder and partnership management strategy developed and approved	Assessment tool for stakeholders and partners developed	On target The tool for stakeholders and partners was developed and in use for the mapping of stakeholders
Performance Analysis	On target	
Reason for Variance	No variances recorded	
Planned improvement / Corrective Actions	None required	
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Number of SANParks Week free visitors to national parks	**Initial Target:** 75 000 **Revised Target 1:** 15 000	Target exceeded: 39 841

SUB-OUTCOME 21: EFFECTIVE STAKEHOLDER AND PARTNERSHIP MANAGEMENT		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Performance Analysis	39 841 people visited national parks during the National Parks Week due to pro-active media and pre-publicity plan which assisted in popularising the focus on the week despite the impact of the pandemic.	
Reason for Variance	None required	
Planned improvement / Corrective Actions	None required	

SUB-OUTCOME 22: APPROPRIATE AND WELL MAINTAINED INFRASTRUCTURE		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Draft 5-year investment plan developed	Establishment of infrastructure investment committee	On target The Infrastructure Investment Committee was established
Performance Analysis	On target. SANParks developed a Finance Strategy; the purpose of the strategy is to provide insight and guidance concerning how SANParks can finance its revenue growth plan and achieve its business and impact objectives in a financially sustainable manner. One of the considerations was that the infrastructure is aging in most parks, impacting guest satisfaction and impinging on tourism revenue. SANParks recognises that optimising SANParks' Tourism Revenue generation will require significant investment in new Tourism Products and the associated enabling infrastructure. The strategy then recommended an establishment of an Investment Committee (IC) to approve the project and give consideration to including external specialist representation and members on the panel, in addition to internal staff. The Committee is authorised to consider funding proposals and other investment decisions, i.e. investment opportunities, concessions, partnerships, PPPs, reviewing non-core assets, disposals, and SANParks' investment criteria.	
Reason for Variance	No variances recorded	
Planned Improvement / Corrective Actions	None planned or needed	

SUBOUTCOME 22: APPROPRIATE AND WELL MAINTAINED INFRASTRUCTURE		
Output Indicator	**Annual Target 2020/21**	**Actual Performance**
Maintenance and Recapitalisation Plan towards improvement of Infrastructure condition developed	**Initial Target:** Condition assessment of Infrastructure concluded. Five year Maintenance and Recapitalisation plan produced. **Revised Target 1:** Condition assessment of Infrastructure 60%.	On target Condition assessment of Infrastructure: 63%
Performance Analysis	Planned target for the quarter was achieved and current progress is at 63%.The assessment of the condition of buildings was done in all National Parks, as well as Groenkloof Head Office, Graspan Game Breeding Facility and Kimberley Game Capture Unit. The assessment of the condition of buildings started in Kruger National Park – Marula Region.	
Reason for Variance	The variance is small, i.e. 3% better than planned. The assessment of the condition of all buildings is on course and slightly ahead of programme.	
Planned Improvement / Corrective Actions	No improvements required	

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS TABLE (INITIAL APP & MIDTERM REVIEWS)

OUTCOME GOAL 1:

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 1: SUSTAINABLE BIODIVERSITY AND CULTURAL HERITAGE ACROSS LAND AND SEA DELIVERS BENEFITS FOR THE PEOPLE OF SOUTH AFRICA AND THE WORLD, NOW AND IN THE FUTURE									
Sub Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018-2019**	**Audited Actual Performance 2019-2020**	**Planned Annual Target 2020-2021**	***Actual Achievement 2020-2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020-2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Protected Areas expansion aligned with the NPAES and SANParks Land Inclusion Plan	Hectares added to national parks	Number of hectares added to national park	5 350.87 ha	136 300 ha	4 000 ha	(3 230 ha) 471 portion 3 was concluded and will be included into the Namaqua NP	Target Exceeded 6 424 ha added to national parks	It is very hard to predict the exact amount of land that will be acquired given the many variables in land transactions and donations that are unpredictable, such as the time it takes to conclude purchase price negotiations, time for land transfer to be completed and land registration with the Deeds Office	Not applicable
Effective and efficient management of national parks	METT Assessments	Number of METT assessments conducted	100% progress against identified corrective actions 80 % of parks achieve a METT score of ≥ 67%	100% progress against identified corrective actions 80 % of parks achieve a METT score of ≥ 67%	≥ 45% progress against identified METT corrective actions implemented Parks scored below ≥ 67% reassessed implemented Parks scored below ≥ 67% reassessed	35.07% achieved against the identified corrective actions	On target 64.3 % progress against identified METT corrective actions implemented One park (Namaqua National Park) was reassessed in the fourth quarter	Not required	To ensure compliance to the SMART principle

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 1: SUSTAINABLE BIODIVERSITY AND CULTURAL HERITAGE ACROSS LAND AND SEA DELIVERS BENEFITS FOR THE PEOPLE OF SOUTH AFRICA AND THE WORLD, NOW AND IN THE FUTURE									
Sub Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018-2019**	**Audited Actual Performance 2019-2020**	**Planned Annual Target 2020-2021**	***Actual Achievement 2020-2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020-2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Degraded Ecosystems rehabilitated	Hectares of land rehabilitated	Number of degraded hectares of land under rehabilitation	28 491 initial ha	26 424 initial ha	17 776 initial ha	Off target 576 initial ha rehabilitated (41%)	Work in progress 7 880 initial ha rehabilitated	The approval of PES Funds in November 2020 allowed more initial hectares rehabilitation	Increase related to Employment Stimulus Funds approved in October 2020
			166 897 follow up ha	186 969 follow-up ha	152 156 follow-up ha	10 466 Follow-up ha rehabilitated (152%)	On target 78 600 Follow-up ha rehabilitated		
	Cubic meters of wetlands rehabilitated	Number of m³ of degraded wetlands under rehabilitation	7 170 m³ wetlands	6 015 m³ wetlands	6 000 m³ wetlands	98 m³ of wetland rehabilitated (14%)	On target 5 862 m³ of wetland rehabilitated		
Climate Change vulnerability reduced and Climate Resilience Improved	Completed Climate Change assessment	Number of climate change response interventions implemented	New Indicator	Draft climate changes preparedness plan developed	One intervention: Climate change vulnerability assessments completed for five national parks	First draft of the SANParks climate change preparedness strategy is in progress. Climate change vulnerability assessments have been completed for Agulhas NP and for Namaqua NP	On target Draft 1 of the Climate Change Preparedness Strategy draft was completed. Climate Change Vulnerability Assessments were completed for five national parks	Not required	COVID 19 induced financial challenges. The organisational preparedness strategy is required as a foundation, including development of park-based vulnerability assessment. Amendments to annual and adequate targets.

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 1: SUSTAINABLE BIODIVERSITY AND CULTURAL HERITAGE ACROSS LAND AND SEA DELIVERS BENEFITS FOR THE PEOPLE OF SOUTH AFRICA AND THE WORLD, NOW AND IN THE FUTURE									
Sub Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018-2019**	**Audited Actual Performance 2019-2020**	**Planned Annual Target 2020-2021**	***Actual Achievement 2020-2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020-2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
One draft estuarine management plan developed	Approved Estuarine and Management Plans	Number of estuarine and marine management plans developed and implemented	New Indicator	New Indicator	One draft estuarine management plan One draft marine management plan	A review of the Legislative Requirements for development of Estuarine and MPA management plans was completed	On target The Guideline Document for the Development of Estuarine and MPA Management was finalised	Not required	COVID-19 pandemic has placed significant challenges on various scales of required stakeholder participation
One draft MPA management plan developed					One draft estuarine management plan One draft marine management plan	An internal SANParks planning and consultation meeting took place	The Guideline Document for the Development of Estuarine and MPA Management was finalised		COVID-19 pandemic has placed significant challenges on various scales of required stakeholder participation
A framework towards improved management of Cultural Heritage developed	Approved framework for management of Cultural heritage resources	Framework for Cultural heritage resources management developed and implemented	100% (40/40) Implementation of the Cultural Heritage Plan	Cultural Heritage Strategy developed and 95% of activities implemented	Cultural heritage resources in three national parks assessed	Heritage resources have been identified and the databases have been updated for Garden Route National Park, Kruger National Park and Table Mountain National Park	On target The Cultural Heritage Survey Report was completed and cultural heritage resources were assessed in three parks	Not required	Annual target has been updated/ added onto to reflect the full deliveries of the Survey and Assessment and to align to language used in the National Heritage Resource Act

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 1: SUSTAINABLE BIODIVERSITY AND CULTURAL HERITAGE ACROSS LAND AND SEA DELIVERS BENEFITS FOR THE PEOPLE OF SOUTH AFRICA AND THE WORLD, NOW AND IN THE FUTURE									
Sub Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018-2019**	**Audited Actual Performance 2019-2020**	**Planned Annual Target 2020-2021**	***Actual Achievement 2020-2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020-2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Sustainable populations of species of special concern monitored and maintained	Rhino population in parks maintained and increasing	Percentage annual increase in rhino populations	New Indicator	New Indicator	Decline in Rhino population in KNP halted Rhino population in other rhino parks increasing at 4%	Surveys were conducted for KNP, Addo, Marakele and Mokala. Monitoring undertaken in the smaller populations of Karoo, Mountain Zebra, Mapungubwe NP's. This is aligned with the SANParks Rhinoceros Monitoring Plan – 2020-2021 In-field monitoring and surveys show an YTD increase of 7% in rhino population in the 6 rhino parks (excl. KNP). This increase is primarily attributed to more accurate figures from the surveys undertaken including the Rhino Impact Project in Addo	Off target The decline in the KNP Black and White Rhino populations has not been halted as current poaching rates are not offset by birthrates, resulting in a net loss of rhinos. In the smaller rhino parks, the weighted annual growth rate was 7.3% thus exceeding the target	Not required	Not applicable

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 1: SUSTAINABLE BIODIVERSITY AND CULTURAL HERITAGE ACROSS LAND AND SEA DELIVERS BENEFITS FOR THE PEOPLE OF SOUTH AFRICA AND THE WORLD, NOW AND IN THE FUTURE									
Sub Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018-2019**	**Audited Actual Performance 2019-2020**	**Planned Annual Target 2020-2021**	***Actual Achievement 2020-2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020-2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Contribution to improved Wildlife management and Wildlife Populations of African Range States Sustained	Game donations to parks in Africa	Number of donations agreements signed with African Range States	New Indicator	New Indicator	One donation agreement signed	No Progress	The Output Indicator was removed under Midterm Review	The Output Indicator was removed under Midterm Review	Peace Park Foundation, a strategic partner of the government of Mozambique and the funder of the translocation, wrote to SANParks requesting the deliveries planned for 2020/21 be postponed until further notice due to COVID-19
	Number of animals delivered	Number of animals delivered to African Range States as per ministerial approval	New Indicator	New Indicator	Number of animals delivered as per ministerial approval	No Progress	The Output Indicator was removed under Midterm Review	The Output Indicator was removed under Midterm Review	Due to travel restrictions imposed by COVID-19, co capture and translocation will take place during the 2020/21 financial year.
Wildlife crime in national reduced	Reduced rhino poaching	Number of rhinos poached in KNP and 6 other Parks reduced	384	≤ 500 poached rhinos	Rhinos poached in KNP less than 250 animals Less than 5 animals poached in other parks	63 poached – KNP	On target 247 rhino were reported poached in KNP in 2020/21	Not required	Not applicable

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 1: SUSTAINABLE BIODIVERSITY AND CULTURAL HERITAGE ACROSS LAND AND SEA DELIVERS BENEFITS FOR THE PEOPLE OF SOUTH AFRICA AND THE WORLD, NOW AND IN THE FUTURE									
Sub Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018-2019**	**Audited Actual Performance 2019-2020**	**Planned Annual Target 2020-2021**	***Actual Achievement 2020-2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020-2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
	Reduced elephant poaching	Number of elephants poached reduced	New Indicator	New Indicator	Elephant poaching in national parks less than 40 animals	8 poached in KNP; 0 poached in Parks	On target A total of 15 elephants were poached in national parks in 2020/21	Not required	Not applicable

OUTCOME GOAL 2:

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 2: OUTCOME GOAL 2: IMPROVED DIVERSE RESPONSIBLE TOURISM									
Sub Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018-2019**	**Audited Actual Performance 2019-2020**	**Planned Annual Target 2020-2021**	***Actual Achievement 2020-2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020-2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Improved Tourism Performance	Improvement in Customer Satisfaction Index (CSI)	Percentage improvement in CSI rating	80.9%	82%	1,0% point improvement in CSI on baseline of March 2020	77,1%	The Output Indicator was removed under Midterm Review	The Output Indicator was removed under Midterm Review	The measuring tool was significantly different from the new tool therefore the 2020/21 achievement should therefore serve for improvement baseline going forward

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 2: OUTCOME GOAL 2: IMPROVED DIVERSE RESPONSIBLE TOURISM									
Sub Outcome	Output	Output Indicator	Audited Actual Performance 2018-2019	Audited Actual Performance 2019-2020	Planned Annual Target 2020-2021	*Actual Achievement 2020-2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020-2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Improved Tourism Performance	Visitors to national parks	Percentage increase in number of visitors to national parks year on year	A decrease of 7.74 % at 6 464 305.00	4,0%	1,0% up on baseline of 2019/20	Visitor numbers decreased by 82,7% from 2 962 371 to 512 561	On target Visitors declined by 68.4% from 6 326 448 to 1 996 667	Not required	Due to the covid-19 restrictions have prevented visitation to national parks from 1 April to 31 May 2020. From 1 June 2020 day visit from intra-provincial visitors has been allowed
	Overnight visitors to the parks	Percentage of accommodation occupancy	72.5% (569 803/ 786 460)	73 %	0. 2% points up from 2019/20 performance projected 71,8%	Accommodation Unit Occupancy decreased by 65.7% points from 75.2% to 9, 5%	On target Accommodation Unit Occupancy for 2020/21 financial year 29.4%	Not required	Due to uncertainty on arrivals from foreign market and previous target was based on the anticipation that Tourism will resume from December 2020 to March 2021
	Tourism Products	Total number of new and diverse Tourism products implemented	12	14	12	TMNP Abseiling Rhodes Memorial Tearoom	On target Four new and Diverse Tourism	Not required	Due to the COVID-19 and the lockdown, the preparation of the income generating products are in process but cannot be implemented
	Measures, baselines and targets for responsible tourism determined	Responsible Tourism Measures determined	New Indicator	New Indicator	Measures, baselines and targets for responsible tourism determined	No target	On target Responsible Tourism Toolkit for measuring targets for responsible tourism was developed and approved by the Board	Not required	Not applicable

OUTCOME GOAL 3:

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 3: SUSTAINABLE SOCIO-ECONOMIC DEVELOPMENT PROGRAMME THAT ENSURES DELIVERY OF BENEFITS TO THE LAND CLAIMANTS, HISTORICALLY DISADVANTAGED COMMUNITIES AND THE PEOPLE OF SOUTH AFRICA									
Sub Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018-2019**	**Audited Actual Performance 2019-2020**	**Planned Annual Target 2020-2021**	***Actual Achievement 2020-2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020-2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Transfor-mation of wildlife econ-omy through increased PDI participation	Animals delivered	Number of animals delivered to communities and individual emerging game farmers	New Indicator	New Indicator	≥ 750 animals delivered	Applications for game loans and donations were approved by EXCO and the Board	Actual Performance Target Exceeded 530 animals were delivered to communities and individual emerging game farmers	More animals were captured and delivered because it is challenging to capture the exact number of animals during mass capture operations. These animals are still within the 3 190 animals planned for the MTSF	Numbers decreased due to financial constraints

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 3: SUSTAINABLE SOCIO-ECONOMIC DEVELOPMENT PROGRAMME THAT ENSURES DELIVERY OF BENEFITS TO THE LAND CLAIMANTS, HISTORICALLY DISADVANTAGED COMMUNITIES AND THE PEOPLE OF SOUTH AFRICA									
Sub Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018-2019**	**Audited Actual Performance 2019-2020**	**Planned Annual Target 2020-2021**	***Actual Achievement 2020-2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020-2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Transfor-mation of wildlife econ-omy through increased PDI participation	Job opportunities created	Number of full time equivalent employment (FTE) job opportunities created through EPWP	EPWP FTEs: 6 428	EPWP FTE: 5 451	EPWP FTE: ≥ 5 400 Other jobs: ≥ 400	EPWP = 1,068 FTEs (114%) Other Jobs: 22 (cumulative = 220, already over the annual target	Target exceeded 4 741 FTEs job opportunities created 322 other jobs were created	More people were employed in the Wetlands, Working for Water and Working for Ecosystems projects due to added financial resources from Presidential Employment Stimulus Fund (PES) and this helped to ensure targets were achieved The positive variance is therefore the result of the PES Funds received in November 2020 which allowed SANParks to provide employment for 5 (five) months	Increase related to Employment Stimulus Funds approved in October 2020

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 3: SUSTAINABLE SOCIO-ECONOMIC DEVELOPMENT PROGRAMME THAT ENSURES DELIVERY OF BENEFITS TO THE LAND CLAIMANTS, HISTORICALLY DISADVANTAGED COMMUNITIES AND THE PEOPLE OF SOUTH AFRICA									
Sub Outcome	Output	Output Indicator	Audited Actual Performance 2018-2019	Audited Actual Performance 2019-2020	Planned Annual Target 2020-2021	*Actual Achievement 2020-2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020-2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Transfor-mation of wildlife econ-omy through increased PDI participation		No of jobs created for Youth, Women, and People with Disabilities through EPWP.	New Indicator	New Indicator	Youth EPWP: ≥ 5 500 Women EPWP: ≥ 4 500 People with Disabilities EPWP: ≥ 210	Youth EPWP: ≥ 3 168 (213%) Women EPWP: ≥ 2 485 (195%) People with disabilities EPWP: ≥ 213 (339%)	Target exceeded Youth EPWP: ≥ 6 927 Target exceeded Women EPWP: ≥ 5 844 Target exceeded People with disabilities EPWP: ≥ 271	The Presidential Employment Stimulus Funds received assisted to retain EPWP participants, and to appoint more people.	Increase related to Employment Stimulus Funds approved in October 2020
Improved access and sustainable use of natural resources by local commu-nities	Improved access to national resources	Number of communities accessing natural resources increased	New Indicator	New Indicator	Baseline of access to resource use determined	The data base provides cumulative numbers, which also include Q 1 where no work was done, but people were still paid. Employment levels were greatly reduced in the 2nd Quarter based on the available budget	On target The baseline for natural resources requested by communities was determined	Not required	Not applicable
Improved participation of PDIs in SANParks Business	SMMEs Contracted	Number of SMMEs contracted for provision of services and goods	EPWP: 703	EPWP: 538	≥ 530 SMMEs contracted	> 296 SMMEs (EPWP) = 100% Other: 13 (the use of SMMEs for the Covid 19 relief programme) 38%	On target 690 SMMEs (EPWP) contracted for provision of services and goods through the EPWP	Not required	Increase related to Employment Stimulus Funds approved in October 2020

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 3: SUSTAINABLE SOCIO-ECONOMIC DEVELOPMENT PROGRAMME THAT ENSURES DELIVERY OF BENEFITS TO THE LAND CLAIMANTS, HISTORICALLY DISADVANTAGED COMMUNITIES AND THE PEOPLE OF SOUTH AFRICA									
Sub Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018-2019**	**Audited Actual Performance 2019-2020**	**Planned Annual Target 2020-2021**	***Actual Achievement 2020-2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020-2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Improved participation of PDIs in SANParks Business	Increased affirmative procurement	Percentage of expenditure on affirmative procurement	New Indicator	New Indicator	BBBEE spent: 65% 30% outsourced opportunities to EMEs and QSEs by main contractors	62%	Work in progress Total BBBEE Spent (YTD) is R686 051 424 (61%)	There is an overall under achieve-ment against the annual BBBEE target of 65% as a result of the COVID 19 Pan-demic Alert Level 5 Lockdown. This resulted in under achievement in Q1 and Q2 which contributed significantly to underachievement for the year under review. By and large, business in the Conserva-tion and Tourism Industries are relatively untrans-formed	Not applicable
Improved ed-ucation and skills	Beneficiaries trained	Number of beneficiaries from targeted groups trained	New Indicator	New Indicator	≥ 450	272 trained	Target exceeded 593 beneficiaries trained from targeted groups	The annual target is exceeded due to quick transition on the use of partners and both asymmetric symmetric approaches. The use of network centres also contributed to the achievement of the target	Not applicable

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 3: SUSTAINABLE SOCIO-ECONOMIC DEVELOPMENT PROGRAMME THAT ENSURES DELIVERY OF BENEFITS TO THE LAND CLAIMANTS, HISTORICALLY DISADVANTAGED COMMUNITIES AND THE PEOPLE OF SOUTH AFRICA									
Sub Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018-2019**	**Audited Actual Performance 2019-2020**	**Planned Annual Target 2020-2021**	***Actual Achievement 2020-2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020-2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Improved education and skills	Programmes aimed at upskilling youth	Number of programmes aimed at upskilling youth	New Indicator	New Indicator	≥ 1	Partners are NYD and DRDLR	On target A Food-Gardening and Medicinal Plant Programme developed. Training models also incorporated SMME and Supplier Development Model as part of the programme.	Not required	Not applicable
	Schools accessing parks for educational purposes	Number of schools accessing the national parks for educational purposes	New Indicator	New Indicator	≥ 200	19	Target exceeded 83 schools accessed national Parks for educational purposes	Due to the easing of COVID-19 restrictions previous bookings that were postponed took place; pre-planned trips through partnerships took place and National Parks Week marketing increased interest	Reduction due to COVID-19

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 3: SUSTAINABLE SOCIO-ECONOMIC DEVELOPMENT PROGRAMME THAT ENSURES DELIVERY OF BENEFITS TO THE LAND CLAIMANTS, HISTORICALLY DISADVANTAGED COMMUNITIES AND THE PEOPLE OF SOUTH AFRICA									
Sub Outcome	Output	Output Indicator	Audited Actual Performance 2018-2019	Audited Actual Performance 2019-2020	Planned Annual Target 2020-2021	*Actual Achievement 2020-2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020-2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Sustained CSI towards community development	Social legacy projects	Number of individuals/ communities where social legacy projects have been completed	4	3	≥ 3	Target achieved in quarter 1 already. 8 550 vulnerable families were supplied with food parcels around 19 parks and 80 water tanks installed around KNP.	Target exceeded A total of 267 communities benefited from the relief programme implemented.	The overachievement was a result of partnerships forged with a number of stakeholders including Total SA, Honorary Rangers and the Siya Kolisi Foundation who significantly increased the number of food relief initiatives that were implemented	Revised due to SANParks need to respond to the challenges experienced by the local communities as a result of the Covid 19 pandemic.

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 3: SUSTAINABLE SOCIO-ECONOMIC DEVELOPMENT PROGRAMME THAT ENSURES DELIVERY OF BENEFITS TO THE LAND CLAIMANTS, HISTORICALLY DISADVANTAGED COMMUNITIES AND THE PEOPLE OF SOUTH AFRICA									
Sub Outcome	Output	Output Indicator	Audited Actual Performance 2018-2019	Audited Actual Performance 2019-2020	Planned Annual Target 2020-2021	*Actual Achievement 2020-2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020-2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Improved Participa-tion of Land Claimants in SANParks Business	Claimants benefitting in SANParks business	Claimant beneficiation scheme developed and implemented as per land claims identified	KNP land claim beneficiation implemented	Land claim beneficiation scheme devel-oped for Colchester 80% imple-mentation of the activities as per imple-mentation plan	Kruger NP land claimant's beneficiation scheme devel-oped Colchester land claim beneficia-tion pack-age (Addo Elephant NP) developed QwaQwa land claimants (Golden Gate Highlands NP) beneficiation package devel-oped	KNP: No progress made with the first draft of the beneficiation scheme. QwaQwa: Two negotiation sessions held with the land claimants, where the beneficiation package was presented and discussed with the claimants.	Target exceeded 85% (17/20) activities on the KNP land claims implementation plan were implemented.		The development and finalisation of the Beneficiation Scheme package is depended on the appointment of the independent facilitator

OUTCOME GOAL 4:

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 4: SUSTAINABLE AND TRANSFORMED ORGANISATION THROUGH REVENUE, PEOPLE, SYSTEMS AND BUSINESS PROCESSES									
Sub Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018-2019**	**Audited Actual Performance 2019-2020**	**Planned Annual Target 2020-2021**	***Actual Achievement 2020-2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020-2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Financially Sustainable Organisation	Own revenue generated	Revenue raised through resource mobilisation	R50,4 million	R60.4 million	≥ R84 million	R31.7 million	Work in progress R50 775 688 in the 2020/21 financial year	The donor funding environment changed drastically due to the pandemic. Many donors focused on healthcare and related socioeconomic assistance in severely affected areas	The economic impact of COVID-19 means that the traditional donors and partners of SANParks are grappling with conflicting priorities and donation choices.
		Revenue raised through tourism performance	9.5%	8,0%	R2,1 billion	R165.436 million	Target exceeded R618 748 000	The target was exceeded because of opening parks earlier than the anticipated, attracting local visitors to parks and exceeding expected numbers	The figures contained here is accrued revenue e.g minimal rental for concession, other income e.g accommodation facilities rented by staff and third parties. We are not in a position to project day visitors.
		Revenue raised through wildlife sales	New Indicator	New Indicator	R8 million	No Target	Target exceeded R4 616 million for 2020/2021	The virtual auction, against all expectations, proved to be very successful and this contributed significantly to the positive variance on the revised target	Limited game sales anticipated due to the economic impacts of the outbreak of COVID-19 pandemic on buyers

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 4: SUSTAINABLE AND TRANSFORMED ORGANISATION THROUGH REVENUE, PEOPLE, SYSTEMS AND BUSINESS PROCESSES									
Sub Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018-2019**	**Audited Actual Performance 2019-2020**	**Planned Annual Target 2020-2021**	***Actual Achievement 2020-2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020-2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Financially Sustainable Organisation	Retained organisational ratio of 1:1	Income to Cost Ration	01.21:01	1:1	1:1	The income to cost ratio is 0.72: 1, as a result of total actual income generated being less than total actual costs incurred	Target exceeded 0.97 : 1	A slight variance is recorded as Income to cost ratio is recorded at 0.97:1 against a target of 0.64:1, due to the reve-nue being more than the budget.	The economic impact of COVID-19 will see much reduced income figure which will affect the income to cost ratio
Transformed and Capable Human Capital	Women in management positions	Percentage of women in management positions	Women: 37,2 %	Women as % of Management = 38,5 %,	Women as % of Management = 39.6% (144/364)`	39.3%	On target 39.9%	Not required	Severe revenue generation constraints resulting in SANParks human resources budget being reduced by R236million as a result of COVID-19.
	People with disabilities	Percentage of People with Disabilities increased	People with Disabilities = 2% (84/4181)	PwD = 2%	PwD = 2%	1,1 %	Off Target 1,1 %	All disability disclosures must be accompanied by a doctor's note. Due to movement restrictions, assistance with obtaining such notes could not proceed during lockdown	
	Black management	Black as a percentage of management increased	Black as % of Management = 60.4% (220/364)	BM = 62%	BM = 64%	61.8%	On target 62.4%	Not required	Not applicable

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 4: SUSTAINABLE AND TRANSFORMED ORGANISATION THROUGH REVENUE, PEOPLE, SYSTEMS AND BUSINESS PROCESSES									
Sub Outcome	Output	Output Indicator	Audited Actual Performance 2018-2019	Audited Actual Performance 2019-2020	Planned Annual Target 2020-2021	*Actual Achievement 2020-2021 until date of re-tabling	Deviation from planned target to Actual Achievement 2020-2021	Reasons for deviations	Reasons for revisions to the Outputs / Output indicators / Annual Targets
Transformed and Capable Human Capital	Payroll spent on skills development	Percentage of payroll spent on skills development programmes increased	1.86%	2%	2.3%	To date R3 135 661.02 (25%) has been spent on Skills Development programme	On target 96,5% of the 1% target that is R11,1 million	Not required	The economic impact of COVID-19 resulted in the challenges in generating revenue and the restrictions for academic institutions to operate has an impact on the implementation development programme, resulted in the review of the target
	Impact assessment	Number of impact assessment conducted on strategic group training interventions	New Indicator	New Indicator	Impact assessment tool developed	Research has commenced to develop the tool at hand of the Hospitality Management Training programme	On target Draft Impact Assessment Tool developed	Not required	Due to COVID-19 restrictions the strategic intervention could only, in amended formant commence during August 2020 and practical exposure delays
Organisation-al Ethical Cul-ture Maturity Improved	Approved Ethics Strategy and Policy	Percentage Ethics Strategy and policy approved and Implemented	New Indicator	Ethic Strategy Developed	Ethics Strategy and Policy approved by the Board 95% of Annual Ethics Plan implemented	Consultation process completed	Work in progress Ethics Strategy and Policy approved by the Board. 92 % (11/12) implemented, with one item outstanding	This is mainly due to the fact that a Senior Manager: Fraud Risk Management, was only appointed at the beginning of Q3	Not applicable

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 4: SUSTAINABLE AND TRANSFORMED ORGANISATION THROUGH REVENUE, PEOPLE, SYSTEMS AND BUSINESS PROCESSES									
Sub Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018-2019**	**Audited Actual Performance 2019-2020**	**Planned Annual Target 2020-2021**	***Actual Achievement 2020-2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020-2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Efficient, Innovative Systems and Business Processes Supportive of SANParks core business	Integrated information decision support tool developed	Integrated information decision support tool developed	New Indicator	New Indicator	Specifications for Integrated Information Decision Support Tool developed	Online workshops conducted and assessment report completed	On target Draft proposal (project charter) on approach developed	Not required	Severe capacity and resource constraints
Efficient, Innovative Systems and Business Processes Supportive of SANParks core business	90% compliance to turn around times	Percentage Improvement on turnaround times on all transactions	New Indicator	New Indicator	Organisational standard on turnaround times for critical business process developed	No Progress	The Output Indicator was removed under Midterm Review	The Output Indicator was removed under Midterm Review	Severe capacity and resource constraints

PROGRAMMES/ SUB PROGRAMMES									
OUTCOME GOAL 4: SUSTAINABLE AND TRANSFORMED ORGANISATION THROUGH REVENUE, PEOPLE, SYSTEMS AND BUSINESS PROCESSES									
Sub Outcome	**Output**	**Output Indicator**	**Audited Actual Performance 2018-2019**	**Audited Actual Performance 2019-2020**	**Planned Annual Target 2020-2021**	***Actual Achievement 2020-2021 until date of re-tabling**	**Deviation from planned target to Actual Achievement 2020-2021**	**Reasons for deviations**	**Reasons for revisions to the Outputs / Output indicators / Annual Targets**
Sound Corporate Governance	Internal Audit Plan executed	Percentage execution of the Internal Audit plan	New Indicator	New Indicator	80% execution of Internal Audit plan	The negative impact which COVID-19 had on the execution of the approved internal audit plan. The cancellation of the tender process to appoint an internal audit service provider to capacitate in the in-house internal audit function. The delay in the re-tender process to advertise the internal audit tender.	Off Target 33% (2/6) of the Internal Audit plan executed	The cancellation of the tender process to appoint an internal audit service provider to capacitate the in-house internal audit function and the delay in the re-tender process to advertise the internal audit ten-der contributed to the underachieve-ment	The tender to appoint an external service provider was delayed, which delayed the implementation of the internal audit plan
		Rating of ISPPIA where a conformance rating of “generally conforms” is achieved	New Indicator	New Indicator (Partially conformed)	50% of corrective actions implemented Self-assessments conducted	On target (20%)	Off target 60 % (3/5) of corrective actions implemented. Self-assessment not conducted	Self-assessments have not been conducted due to the late completion of the audit reports in March	

4. STRATEGY TO OVERCOME AREAS OF UNDER- PERFORMANCE

4.1 Institutional Response to the COVID-19 Pandemic

Programme / Sub-Programme	Intervention	Geographic location (Province/ District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention (R'000)	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
SANParks COVID-19 Relief Programme	Procuring food parcels, hand sanitisers, face masks and water tanks	In 267 communities, out of 19 Parks	9 703	N/A	N/A	R10 434	Number of individuals/ communities where Social Legacy (COVID-19 Community Relief programme) was implemented	Sustained corporate social investment towards community development
SANParks COVID-19 Relief Programme	Game meat donation 612 kg	The Cape Region	Communities adjacent to the parks	N/A	N/A		Number of individuals/ communities where Social Legacy (COVID-19 Community Relief programme) was implemented	Sustained corporate social investment towards community development
SANParks Expanded Public Works Programme	EPWP jobs supported in April and May 2020 during hard lockdown period	All National Parks	7 379	From communities next to all National Parks and Eco-Furniture Programme	R48 574	R48 574	No of jobs supported = 7 379 No of FTEs = 1 201 No of SMMEs supported = 433	Sustained corporate social investment towards community development
Presidential Employment Stimulus Funds Phase 1	Employment and jobs supported in the EPWP programme Land rehabilitation, Wetlands rehabilitation Infrastructure maintenance	All National Parks	5 131	From communities next to all National Parks and Eco-Furniture Programme	R193 000	R143 467	No of jobs created and supported = 5 131 No of SMMEs supported = 541 Initial land rehabilitated = 2,880 ha Follow-up land rehabilitated = 58,600 ha Wetlands rehabilitation = 2,862 m³	Sustained corporate social investment towards community development

During the pandemic, SANParks heeded government's call to provide support to affected communities. SANParks' COVID-19 relief programme provided food parcels, hygiene products and personal protective equipment, water tanks and awareness materials to 9 703 beneficiaries, 8 500 households in the most vulnerable communities bordering National Parks (336 communities). SANParks further partnered with the private sector and NGOs, including Honorary Rangers, TOTAL SA, UNDP, Siya Kolisi Foundation, Wilderness Foundation and Oak Foundation to provide additional water tanks and food parcels.

SANParks received R193 million from the Presidential Employment Stimulus Fund Phase 1 (PES Fund). R83 million was allocated to support biodiversity projects and the Eco-Furniture Programme. The biodiversity projects supported the rehabilitation of land and wetlands in all National Parks and assisted to do critical follow-up work for alien invasive clearing, erosion control and wetlands rehabilitation that could not be attended to due severely reduced budget allocation for the Working for Water, Working for Ecosystems and Working for Wetlands programmes. The additional funds also supported the Eco-Furniture Programme to enable EPWP participants to work for the entire financial year, as opposed to stop working in November 2020.

R110 million of the PES Funds was allocated to the maintenance, upgrade and new infrastructure and the implementation of SANParks Green Energy Programme. KNP implemented a project to construct 89 two bedroom houses to address the dire need in the park, while several small maintenance and renovations projects were implemented in the other National Parks, i.e.:

55 Tourism units maintained

32 Staff units maintained

13 Reception/ Admin buildings maintained

124KM of roads graded and drainage structures cleaned

147KM of fence maintained – rock packing and vegetation clearing

41KM Hiking trails maintained

With the Green Energy Programme, a total of 71 solar water heaters were installed in Golden Gate Highlands, Augrabies Falls and Addo Elephant National Parks. 9 750 LED lights were procured to continue with the replacement programme in all National Parks.

5. REVENUE COLLECTION

Linking performance with budgets

	Financial year 2019/2020		
Programme/activity/objective	Budget	Actual Expenditure	(Over)/Under Expenditure
Improved contribution to a growing national and global conservation estate	224 671 443	191 690 037	16 236 959
Effectively and sustainably managed ecosystems, species and cultural heritage resources across biomes	385 418 663	355 020 327	-1 677 845
Sustainably utilised resources for fair and equitable sharing of benefits	227 320 196	199 684 542	9 959 692
Improved tourism performance	235 139 958	211 396 036	4 840 018
Improved responsible tourism	55 073 812	41 444 126	10 234 942
Improved contribution to societal transformation	203 995 412	181 236 060	6 635 844
Improved community socio-economic development	330 247 408	302 134 351	892 956
Grown and sustained diversified organisational revenue streams	220 961 740	188 321 543	16 198 263
Effectively and efficiently managed financial resources	213 069 118	186 498 894	10 087 796
Adequate, appropriately skilled, transformed and diverse human capital	89 233 867	18 369 632	71 608 464
Systems improved and enhanced business processes	170 673 389	18 369 632	155 873 372
Accountable corporate governance	244 215 500	349 151 038	-141 159 139
Enhanced infrastructure maintenance and recapitalisation	205 558 467	175 872 971	14 302 765
Enhanced stakeholder engagement	227 781 443	165 247 049	49 282 912
TOTAL	**3 033 360 417**	**2 584 436 239**	**223 317 000**

	Financial year 2020-21		
Programme/activity/objective	Budget	Actual Expenditure	(Over)/Under Expenditure
Protected areas expansion aligned with the national protected area expansion strategy (NPAES) and SANParks land inclusion plan	53 421 220	51 261 880	2 159 340
Effective and efficient management of national parks	854 739 520	820 190 080	34 549 440
Degraded ecosystems rehabilitated	53 421 220	51 261 880	2 159 340

	Financial year 2020-21		
Programme/activity/objective	Budget	Actual Expenditure	(Over)/Under Expenditure
Climate change vulnerability reduced and climate resilience improved	26 710 610	25 630 940	1 079 670
A framework towards improved management of cultural heritage developed	26 710 610	25 630 940	1 079 670
Sustainable rhino populations monitored and increased	26 710 610	25 630 940	1 079 670
Contribution to improved wildlife populations of African range states sustained	26 710 610	25 630 940	1 079 670
Wildlife crime in national parks reduced	26 710 610	25 630 940	1 079 670
Improved tourism performance	133 553 050	128 154 700	5 398 350
Improved responsible tourism	186 974 270	179 416 580	7 557 690
Transformation of wildlife economy through increased PDI participation	106 842 440	102 523 760	4 318 680
Improved participation of PDIs in SANParks business	-	-	-
Increased access to education and skills development opportunities	26 710 610	25 630 940	1 079 670
Sustained corporate social investment towards community development	80 131 830	76 892 820	3 239 010
Improved participation of land claimants in SANParks' business	26 710 610	25 630 940	1 079 670
Financially sustainable organisation	240 395 490	230 678 460	9 717 030
Transformed and capable human capital	267 106 100	256 309 400	10 796 700
Efficient, innovative systems and business processes supportive of SANParks core business	213 684 880	205 047 520	8 637 360
Sound corporate governance	53 421 220	51 261 880	2 159 340
Effective stakeholder and partnership management	53 421 220	51 261 880	2 159 340
Appropriate and well maintained infrastructure	186 974 270	179 416 580	7 557 690
TOTAL EXPENDITURE	**2 671 061 000**	**2 563 094 000**	**107 967 000**

Actual expenditure is below the budgeted expenditure because of the strict cost curtailment measures that were implemented by the organisation in order to accommodate the limited revenue caused by the COVID-19 pandemic.

Employee related costs reflect an underspending. Depreciation and amortisation's underspending emanates from assets not yet realised, but were expected to have materialised by the end of the financial year.

Finance costs reflect an underspending, due to entering into less finance leases than expected in the current financial year. Operating leases are well within budget and reflect a saving.

Repairs and maintenance saving results from delayed implementation. Operating expenses were higher than budgeted due to insurance costs that were under-budgeted.

	Financial Year 2020/2021			Financial Year 2019/2020		
Sources of revenue	Estimate) (R'000)	Actual Amount Collected (R'000)	(Over)/Under Collection (R'000)	Estimate (R'000)	Actual Amount Collected (R'000)	(Over)/Under Collection (R'000)
Tourism, retail, concession and other	681 158	825 977	(144 819)	2 361 622	2 271 303	90 319
Sales - fauna and flora	4 000	4 753	(753)	5 760	16 942	(11 182)
Other operating income	22 287	55 563	(33 276)	28 662	46 862	(18 200)
Interest received	40 964	49 075	(8 111)	49 883	72 974	(23 091)
Government grants and other	1 347 436	1 520 647	(173 211)	869 117	713 208	155 909
Funding	65 000	26 863	38 137	6 445	46 813	40 368
Donations	2 160 845	2 482 878	(322 033)	3 321 489	3 168 102	153 387
TOTAL REVENUE	**2 160 845**	**2 482 878**	**(322 033)**	**3 321 489**	**3 168 102**	**153 387**

Revenue from tourism-related activities performed better than expected as a result of an earlier opening of parks. The concessions relief has also been taken into consideration.

The positive variance is due to the infrastructure grant income that was not budgeted for. The infrastructure grant income is more than budgeted due to the realisation of income as a result of completed projects. This also included in the infrastructure grants as grants relating to the EPWP projects.

The special projects income is included in government grants and other funding, but cannot be budgeted for accurately, as it falls outside SANParks' normal operations, and the extent of special projects income is not always known in advance. For the year under review, special projects income was not budgeted for.

Donations received are less than budgeted. Other donations received are accounted for as a liability under special projects due to the conditions placed on the donations.

During the year under review, SANParks implemented various infrastructure projects in all National Parks. The table below is a list of the current projects in progress funded through the Infrastructure investment allocation (MTEF budget), National Department of Tourism, Additional Infrastructure Funds (2019/20) and Presidential Employment Stimulus Funds 2020/21.

6. CAPITAL INVESTMENT

Capital investment, maintenance and asset management plan

Infrastructure project	Financial Year 2019/20			Financial Year 2020/21			Expected Completion Date
	Estimate) (R'000)	Actual Amount Collected (R'000)	(Over)/Under Collection (R'000)	Estimate (R'000)	Actual Amount Collected (R'000)	(Over)/Under Collection (R'000)	
KRUGER NATIONAL PARK							
Nxanatseni Electrical Infrastructure	R701 000	R644 176	R56 824	R700 000	R685 435	R14 565	31-Dec-21
Nxanatseni Region Staff Accommodation Upgrade	R120 000	R13 143	R106 857	R180 000	R192 854	-R12 854	31-Dec-21
Nxanatseni Region Tourism Upgrade	R340 000	R315 959	R24 041	R8 000 000	R7 602 911	R397 089	31-Dec-21
Nxanatseni Roads	R250 000	R1 187	R248 813				31-Dec-21

Infrastructure project	Financial Year 2019/20			Financial Year 2020/21			Expected Completion Date
	Estimate) (R'000)	Actual Amount Collected (R'000)	(Over)/Under Collection (R'000)	Estimate (R'000)	Actual Amount Collected (R'000)	(Over)/Under Collection (R'000)	
Nxanatseni Water and Sewer Infrastructure Upgrade				R2 500 000	R 2 443 960	R 56 040	31-Dec-21
Letaba Tourism Upgrade				R950 000	R953179	- R3 179	31-Dec-21
Mopani Tourism Upgrade				R3 400 000	R3 287 652	R112 348	31-Dec-21
Skukuza Safari Lodge	R1 800 000	R1 728 433	R71 567	R0	R10 000 000	- R10 000 000	31-Dec-18
Skukuza Lodge Relocation of offices and workshops	R2 000 000	R1 933 135	R66 865				31-Dec-18
Skukuza Lodge Support Services	R750 000	R730 860	R19 140	R6 000 000	R554 670	R5 445 330	31-Dec-18
Skukuza Lodge Staff accommodation	R350 000	R344 326	R5 674	R17 450 000	R17 271 221	R178 779	31-Dec-21
Marula Corporate Infrastructure	R250 000	R241 693	R8 307	R1 900 000	R1 895 446	R4 554	31-Dec-21
Marula Electrical Infrastructure	R980 000	R987 138	- R7 138	R1 700 000	R1 703 573	- R3 573	31-Dec-21
Marula Energy Efficiency and WPS Generator	R700 000	R720 414	- R20 414				31-Dec-21
Marula Roads	R4 500 000	R4 348 856	R151 144	R2 250 000	R2 292 699	- R42 699	31-Dec-21
Marula Region Staff Accommodation Upgrade				R1 750 000	R1 739 499	R10 501	31-Dec-21
Marula Tourism Upgrade	R100 000	R100 282	- R282	R15 400 000	R15 378 633	R21 368	31-Dec-21
Skukuza Sub Station and LT Reticulation	R300 000	R304 747	- R4 747	R120 000	R5 620	R114 380	31-Dec-21
Skukuza Staff Accommodation, Clinic and Sports Centre	R45 000	R42 621	R2 379	R100 000	R70 083	R29 917	31-Dec-21
Skukuza Tourism Upgrade	R350 000	R348 472	R1 528	R2 500 000	R2 505 205	- R5 205	31-Dec-21
Skukuza Laundry upgrade and Water Infrastructure Upgrade				R170 000	R169 197	R803	31-Dec-21
Sub-Total IP4	**R13 536 000**	**R12 805 443**	**R730 557**	**R65 070 000**	**R68 751 838**	**- R3 681 838**	
IP5 Corporate Airport Infrastructure				R850 000	R679 533	R170 467	31-Dec-22
IP5 Marula Infrastructure				R2 900 000	R2 948 382	- R48 382	31-Dec-22
IP5 Nxanatseni Tourism				R3 500 000	R3 349 856	R150 144	31-Dec-22
Sub-Total IP5				**R7 250 000**	**R6 977 771**	**R272 229**	
IFS KNP Marula Renovation of Infrastructure	R3 400 000	R3 355 489	R44 511	R4 400 000	R4 386 034	R13 966	31-Dec-21
IFS KNP Nxanatseni Renovation of Infrastructure	R2 000 000	R1 866 314	R133 686	R50 000	R4 245	R45 755	31-Dec-21
Sub-Total DFFE Additional Funding	**R5 400 000**	**R5 221 803**	**R178 197**	**R4 450 000**	**R4 390 279**	**R59 721**	
SF-KNP Nxanatseni Staff Accommodation				R6 000 000	R5 819 051	R180 949	30-Sep-21

Infrastructure project	Financial Year 2019/20			Financial Year 2020/21			Expected Completion Date
	Estimate) (R'000)	Actual Amount Collected (R'000)	(Over)/Under Collection (R'000)	Estimate (R'000)	Actual Amount Collected (R'000)	(Over)/Under Collection (R'000)	
SF-KNP Marula Staff Accommodation				R7 000 000	R6 941 363	R58 637	30-Sep-21
Sub-Total PES Funding				**R13 000 000**	**R12 760 414**	**R239 586**	
NDT - KNP Shangoni Gate Development	R1 800 000	R1 773 093	R26 907	R350 000	R228 230	R121 770	31-Dec-22
NDT - KNP Phalaborwa Activity Hub	R250 000	- R87	R250 087	R150 000	R0	R150 000	31-Dec-22
Sub-Total NDT Funding	**R2 050 000**	**R1 773 007**	**R276 993**	**R500 000**	**R228 230**	**R271 770**	
Total KNP	**R20 986 000**	**R19 800 252**	**R1 185 748**	**R90 270 000**	**R93 108 532**	**- R2 838 532**	
PARKS DIVISION							
Addo - Maintenance of Staff Accommodation	R98 878	R98 878	R0				Completed
Addo Community Lodge	R0	R0	R0	R234 500	R877	R233 623	31-Mar-23
Addo Construct Waste Water Plant	R120 000	R97 366	R22 634	R440 000	R283 465	R156 535	31-Mar-22
Addo Upgrade Electrical Reticulation			R0	R150 000		R150 000	31-Dec-22
Camdeboo Construct Nqweba Dam Ablution	R76 238	R76 238	R0				Completed
Camdeboo Resurface of Valley of Desolation road	R119 173	R119 173	R0				Completed
Tsitsikamma Restaurant and Precinct Development	R790 481	R553 780	R236 701	R5 570 121	R1 120 656	R4 449 465	31/06/2023
Tsitsikamma Fill Slope Failure							31-Mar-23
Tsitsikamma Entrance Gate and Offices	R765 913	R765 913	R0				Completed
Tsitsikamma Oceanettes Upgrade							31-Dec-21
Tsitsikamma Big Tree Parking			R0	R2 200 000	R2 034 482	R165 518	Completed
Wilderness Maintain Serpentine Bridge	R109 751	R109 751	R0				Completed
Bontebok Die Stroom Swimming Pool and Day Visitor Site	R80 000	R6 800	R73 200	R73 200	R44 175	R29 025	31-Mar-23
Table Mountain Upgrade of Cape Point Roads	R14 330 371	R14 330 371	R0	R4 314 452	R4 314 452	R0	Completed
Table Mountain Upgrade Boulders Visitors Node	R3 698 807	R3 123 732	R575 075	R575 075	R575 075	R0	Completed
Table Mountain Tokai Bulk Services Upgrade	R16 273	R16 273	R0	R36 785	R36 785	R0	Completed
Tankwa Karoo Tourism Units	R16 538	R16 538	R0				Completed
West Coast Geelbek Activity Node	R66 228	R0	R66 228	R66 228	R3 592	R62 636	31-Mar-23

Infrastructure project	Financial Year 2019/20			Financial Year 2020/21			Expected Completion Date
	Estimate) (R'000)	Actual Amount Collected (R'000)	(Over)/Under Collection (R'000)	Estimate (R'000)	Actual Amount Collected (R'000)	(Over)/Under Collection (R'000)	
West Coast Upgrade R27 Entrance Gate	R66 228	R0	R66 228	R66 228	R51 110	R15 118	31-Mar-23
West Coast: Kraalbaai Day Visitor Site	R6 097 150	R3 754 367	R2 342 782	R2 342 782	R946 448	R1 396 334	31-Mar-22
West Coast Construct Park Management Offices (Langebaan Gate)	R260 000	R0	R260 000	R260 000	R81 650	R178 350	31-Mar-23
Kgalagadi Construct Staff Units at Nossob	R201 718	R201 718	R0				Completed
Kgalagadi Construct Dawid Kruiper Rest Camp	R432 601	R34 058	R398 543	R4 215 652	R51 783	R4 163 869	31-Mar-23
Kgalagadi Construct Craig Lockhardt Camp Site				R958 010	R0	R958 010	31-Mar-22
Kgalagadi Water Purification Plants				R20 700	R0	R20 700	31-Dec-22
Mokala Upgrade Lilydale Water and Sewer Infrastructure				R30 000	R0	R30 000	30-Jun-22
Namaqua Construct Staff Accommodation Units	R337 267	R337 267	R0				Completed
Kimberley Game Capture Upgrade Sewer and Fence		R877	- R877	R2 217 516	R1 557 086	R660 430	30-Jun-21
Mapungubwe: Construct Park Management Offices	R1 407 662	R1 407 662	R0	R103 802	R0	R103 802	31-Mar-23
Mapungubwe: Upgrade Hamilton Day Visitor Site				R45 900	R0	R45 900	31-Mar-23
Mapungubwe: Expand Mazhou Camp Site				R26 528	R0	R26 528	31-Mar-23
Mapungubwe Construct Staff Houses: Hamilton	R64 160	R64 160	R0				Completed
Mapungubwe Construct Staff Houses: Rhodesdrift				R99 000		R99 000	31-Mar-23
Marakele: Upgrade Offices and Entrance Gate				R2 880 259	R1 625 271	R1 254 988	30-Sep-21
Marakele: Construct Staff Accommodation				R225 051		R225 051	31-Mar-23
Golden Gate Upgrade Mountain Retreat Sewer and Chalets	R861 335	R739 406	R121 929	R121 929	R121 929	R0	Completed
Golden Gate Maintenance of Loop Roads	R5 920 887	R5 920 887	R0	R144 948	R144 948	R0	Completed
Golden Gate Hotel Chalets, Parking and CV Entrance Gate Upgrade and Construction	R283 657	R283 657	R0	R467 258	R467 258	R0	31-Oct-22
Sub-Total	**R36 221 315**	**R32 058 873**	**R4 162 443**	**R27 885 924**	**R13 461 041**	**R14 424 882**	

Infrastructure project	Financial Year 2019/20			Financial Year 2020/21			Expected Completion Date
	Estimate) (R'000)	Actual Amount Collected (R'000)	(Over)/Under Collection (R'000)	Estimate (R'000)	Actual Amount Collected (R'000)	(Over)/Under Collection (R'000)	
INSURANCE							
Wilderness Construct Beervlei Houses				R3 655 580	R3 459 761	R195 818	30-Apr-21
Wilderness Construct Farleigh Houses				R7 602 722	R6 253 421	R1 349 301	31-Jul-21
Sub-Total				**R11 258 302**	**R9 713 182**	**R1 545 120**	
NATIONAL DEPARTMENT OF TOURISM							
Tsitsikamma Big Tree Development	R7 714 736	R7 714 736	R0				Completed
Golden Gate Dinosaur Centre	R72 825 613	R40 547 402	R32 278 210	R41 819 069	R21 142 432	R20 676 637	31-Mar-22
Addo Extension of Rest Camp	R1 220 584	R1 220 584	R0	R2 967 052	R2 967 052	R0	31-Mar-23
Mapungubwe Youth Facilities	R533 130	R514 805	R18 326	R49 085	R30 759	R18 326	31-Mar-23
Agulhas Lighthouse	R969 391	R938 238	R31 153	R5 570 121	R952 193	R4 617 928	31-Aug-23
Sub-Total	**R83 263 454**	**R50 935 765**	**R32 327 689**	**R50 405 326**	**R25 092 436**	**R25 312 890**	
Parks Division	R119 484 769	R82 994 638	R36 490 132	R89 549 552	R48 266 660	R41 282 892	
TOTAL	**R140 470 769**	**R102 794 890**	**R37 675 880**	**R179 819 552**	**R141 375 192**	**R38 444 360**	

Progress made on implementing the capital, investment and asset management plan

SANParks has a Capital Development Plan that was approved in 2018, and the organisation is implementing the funded projects as indicated in the plan. There will be a delay in the implementation of some projects due to the redirection of Infrastructure investment funds of R114.7 million in 2020/21 to the operational budget. A service provider was appointed in 2020 to do a verification of all above ground infrastructure, as well as a condition assessment of each asset. This exercise will be completed by September 2021, and a 5 Year Maintenance Plan and Capitalisation Plan for Infrastructure management will be one of the outputs.

KNP was able to implement various projects on the Infrastructure Programme after the appointment of 32 contractors from the Mpumalanga Department of Public Works. These contractors were appointed for renovations and upgrade of tourism, staff accommodation, roads and bulk service (water, sewer and electrical works). The appointment of these contractors assisted to address the delayed implementation in 2019/20 when tender processes did not yield results to appoint term contractors.

In the Parks Division, the following projects were completed:

- Major upgrade of road infrastructure in the Cape Point Section of Table Mountain National Park
- Upgrade and extension of Boulders Visitor Node, Table Mountain National Park
- Tsitsikamma Big Tree Visitor Centre and Parking

Projects that had to be completed during 2020/21 include the Dinosaur Interpretive Centre, Golden Gate Highlands National Park, Kraalbaai Day Visitor and Park Management infrastructure, West Coast National Park and the upgrade of the Entrance Gate, Offices and Shop upgrade in Marakele National Park. The main reasons are that contractors were off-site for three months due to the COVID-19 lockdown, while there are also some performance challenges. The delivery of the Dinosaur Interpretive Centre is long overdue, and is due to the contractor performance and claims submitted.

Infrastructure projects that are currently in progress

KNP continued with their programmes to upgrade and renovate tourism units, upgrade and construct new staff accommodation and roads maintenance. Within the Parks Division, the tenders for what is considered the larger projects, i.e. Dawid Kruiper Rest Camp, Kgalagadi Transfrontier Park; Tsitsikamma Restaurant and Precinct Development and Agulhas Lighthouse Development were issued. Smaller projects are in the planning phase, while expenditure on some projects was placed on hold due to the re-direction of the Infrastructure investment allocation in 2020/21, and the uncertainty of future allocations.

Plans to close down or down-grade any current facilities

No facilities were downgraded or closed in 2020/21.

Progress made on the maintenance of infrastructure

The operational maintenance budget was reduced in 2020/21 as a result the impact of COVID-19 on revenue generation. The approval of R110 million of Presidential Employment Stimulus Funds assisted with maintenance and renovations in Parks, while KNP used the funds to upgrade and construct 89 single and two bedroom staff accommodation units.

Developments relating to the above that are expected to impact on the public entity's current expenditure.

The operational budget for maintenance remains a structural budget item, and this impacts on the maintenance of infrastructure. Capacity to implement maintenance and projects must be increased, especially in KNP where Technical Services lost critical managers during the past two years.

Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft

All assets completed in the Infrastructure Programme were capitalised, and include smaller items that were procured on the additional funding and PES Funds such as water meters, water and sewer pumps.

For the current financial year, total assets as per the fixed asset register amount to R2 087 billion (R2 101 billion 2019-2020), and reflect a decline of R14 million from the previous period. Total assets acquired during the year total R140 834 million (R88 886 million 2019-2020), majority being infrastructure acquisition. Disposals of fixed assets total R14 712 million for the year under review (R6 023 million 2019-2020). The decline in total asset value for the current financial period is due to the depreciation of assets and some assets that were written off.

Measures taken to ensure that the public entity's asset register remained up-to-date during the period under review

Assets created and procured as part of the funding received for infrastructure were capitalised and included in the asset register. The respective parks that received PES Funds also recorded assets created or procured with these funds.

The current state of the SANParks' capital assets.

A process is underway to determine the condition assessment of all above ground infrastructure in National Parks. This exercise will be completed by September 2021 and will provide the state of infrastructure.

Major maintenance projects that have been undertaken during the period under review

KNP continued with the maintenance and renovations programmes in the park to address tourism accommodation, staff accommodation, roads and bulk services infrastructure.

Progress made in addressing the maintenance backlog

The operational maintenance budget of SANParks is not adequate to address planned and routine maintenance according to industry norms with a continued annual shortfall of R270 million per annum. Maintenance of infrastructure is supplemented with the Infrastructure investment allocation, and ad hoc funding received, i.e. PES Funds. Due to the budget constraints, the backlog is increasing year on year. Proposals and application for funding to maintain, upgrade and construct new infrastructure are submitted to the Department of Forestry, Fisheries and the Environment, and where possible, SANParks access funding through initiatives such as the Presidential Employment Stimulus Funds.

PART: C
Governance

1. INTRODUCTION

The Board is responsible for overseeing governance within SANParks in compliance with legal and governance prescripts as well as best practice.

2. PORTFOLIO COMMITTEES

SANParks reports to the Minister of Forestry, Fisheries and Environment. All Quarterly reports for the 2020/21 financial year were submitted to the Minister as per the requirements of the PFMA

3. THE ACCOUNTING AUTHORITY

The Board is appointed by and is accountable to the Minister of Forestry, Fisheries and the Environment (The Minister) in the performance of its duties.

The Board concluded a formal agreement with the Minister which sets out the relationship between the parties, as well as the attendant roles and responsibilities.

Annual strategic plans and budgets were submitted to the Minister for approval as required by the PFMA.

4. INTERNAL CONTROL UNIT

All Board members, except the CEO, are non-executive members.

The Board provides strategic oversight and ensures that SANParks operates in a transparent, fair and responsible manner for the benefit of all its stakeholders.

The role and responsibilities of the Board include the following:

(a) Act as the focal point for, and custodian of, corporate governance by managing its relationship with management, the Minister, Parliament as well as other stakeholders along corporate governance principles.

(b) Appreciate that strategy, risk, performance and sustainability are inseparable and to give effect to this by:

- Satisfying itself that the strategy and business plans do not give rise to risks that have not been thoroughly assessed by management;
- Identifying key performance and risk areas;
- Ensuring that the strategy will result in sustainable outcomes;

(c) Provide effective leadership on an ethical foundation.

(d) Ensure that SANParks is and is seen as responsible by having regard to not only the financial and regulatory aspects of SANParks, but also the impact that SANParks' operations have on the environment and the society within which it operates.

(e) Ensure that ethics are effectively managed within SANParks.

(f) Ensure that SANParks has an independent and effective Audit and Risk Committee.

(g) Be responsible for the governance of risk.

(h) Be responsible for information technology governance.

(i) Ensure that SANParks complies with applicable laws and considers adherence to non-binding rules and standards.

(j) Ensure that there is an effective risk-based internal audit.

(k) Ensure the integrity of SANParks' annual report.

(l) Recommend appointment of the CEO to the Minister.

(m) Evaluate the performance of the CEO.

(n) Monitor the relationship between management and SANParks' stakeholders.

(o) Recommend approval of SANParks' strategy and vision to the Minister.

The following Board Committees assist the Board in discharging its responsibilities:

1. Audit and Risk Committee, whose functions cover internal audit, risk management, IT governance, statutory reporting and compliance;
2. Human Capital Management Committee which oversees implementation of human resources and transformation, and ensures that ethical conduct is embedded within SANParks;
3. Conservation and Socio-Economic Transformation Committee which oversees the implementation of approved conservation and socio-economic transformation strategies;
4. Tourism Committee which oversee the implementation of approved tourism, marketing and communications strategies.

Board and Committees' responsibilities are outlined in the respective charters, which were reviewed during the financial year to ensure compliance with legislation and best practice. Committee chairpersons report quarterly to the Board on how each committee discharged responsibilities contained in its charter. No new Board/Committee members were appointed or resigned during the year under review.

Member	Board	Audit and Risk Committee	Human Capital Management Committee	Conservation and Socio-Economic Transformation Committee	Tourism Committee
Number of meetings held	9	13	13	4	4
Attendance by Board members					
J Yawitch	8	-	-	1	2
T Mphahlane	9	13	9	-	-
S Molokoane	8	-	13	4	4
U Govender	8	6	-	4	1
T Abrahamse	9	-	-	3	4
J Mashele	8	13	-	-	3
L Mogakane	9	13	-	4	4
F Docrat	8	12	12	1*	-
Z Fihlani	8	12	-	-	-
B Koyana	9	-	13	1 *	4
E Mokotong	9	-	13	4	4
T Motsepe	9	-	13	4	4
S Munzhedzi#	8	-	-	1	-
F Mketeni	8	13*	12	3	4
Attendance by Non-Board Member					
R Sedumo #	-	3	-	-	-

** Attended as an invitee*

 # Department of Forestry, Fisheries and the Environment Representative

In order to maintain stability within the organisation taking into account SANParks' current challenges mainly emanating from the effect of COVID-19 on the organisation, the three Managing Executives' employment contracts which came to an end during the year were renewed for a period of five years.

5. RISK MANAGEMENT

Risk management in SANParks is conducted in accordance with National Treasury's Enterprise Risk Management Framework and is overseen by the Board assisted by the Audit and Risk Committee. SANParks has a Risk Management Strategy and Policy in place and conduct its annual programme in accordance with an approved Annual Maturity Improvement and Implementation Plan. Strategic and operational risks as well as emerging risks are reviewed on a quarterly basis and measured against the risk appetite and tolerance levels by the internal Risk Steering Committee.

COVID-19 had a major impact on SANParks' revenue and financial sustainability. SANParks' budget and expenditure were reviewed to take reductions in revenue into account. SANParks' financial difficulties as well as unavailability of some employees due to COVID-19 had a major impact on SANParks' revenue and financial sustainability. SANParks' budget and expenditure were reviewed to take reductions in revenue into account. SANParks' financial difficulties as well as unavailability of some employees due to the COVID-19 lockdown led to some of the risks exceeding tolerance levels despite mitigation measures in place. This remains a focus area for the Board.

Further details on this item are included in the Audit & Risk Committee report (Section 14 below)

6. INTERNAL AUDIT AND RISK COMMITTEE

Details on SANParks' Internal Audit function and the activities of the Audit and Risk Committee are contained in the Audit & Risk Committee report in Section 14 below. Members of the Audit and Risk Committee are contained in the table under item 4 above and further details of the composition of this Committee are contained in the report in section 14 below.

7. COMPLIANCE WITH LAWS AND REGULATIONS

The Board approved compliance universe of SANParks. The Board, with the assistance of the Audit and Risk Committee, will regularly review reports on SANParks' compliance to relevant prescripts in accordance with the compliance universe. A report on SANParks' compliance with the PFMA was submitted to the Minister at the end of each quarter.

8. FRAUD AND CORRUPTION

Following best practice in both private and public sector, SANParks has fully integrated the management of fraud and corruption in its ethics management programme. The Board approved the strategy and policy on ethics governance and management as well as the as the annual implementation plan and monitor implementation on an ongoing basis.

SANParks has a Fraud Prevention programme in place that is informed by and aligned to relevant legislative and best practice requirements. Fraud prevention and management interventions are included in the annual Ethics Management and Implementation Plan and include regular fraud risk assessments, prevention through awareness and internal controls, enable detection through whistleblowing and other reporting mechanisms; investigation of reported cases and finally, implement consequence management where fraud has been detected.

A fraud risk assessment was conducted and mitigation measures agreed to for high risk areas.

Reporting of fraud or any alleged unethical conduct is facilitated through an Ethics Hotline and various other alternative means. A Whistle-blowing Protocol is in place to ensure confidential disclosure. Reports of fraud and other allegations of unethical conduct reported through the ethics hotline or any other means are investigated and where relevant, corrective measures or consequence management is implemented. A report on all cases investigated or under investigation was tabled before the Audit and Risk Committee and the Board every quarter.

9. MINIMISING CONFLICT OF INTEREST

Board members are obliged to declare any directorship or business interest they may hold as well as interest in any matter that to be discussed at Board and Committee meetings, and to recuse themselves from meetings where such matters are discussed when appropriate.

Employees are also expected to complete annual declaration of interest and to avoid conflict between their personal interests and those of SANParks. Policies and procedures are in place to ensure that all staff declare directorships or any other business interests on an annual basis. In addition a SCM policy is in place requiring that all members of Bid Specification, Bid Evaluation and Bid Adjudication committees to declare any conflict of interest regarding agenda items of the relevant structure and recuse themselves from the meeting when the item is discussed. Such declarations are on record and reflected in the minutes of the meeting.

10. CODE OF CONDUCT

SANParks has a Code of Ethics and Business Conduct as well as Code of Ethical Conduct. Breaches of the Codes are regarded as breaches of SANParks' Disciplinary Policy and are dealt with in accordance with that policy.

11. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

SANParks has given an undertaking to prioritise the health and safety of its employees and the environment through mitigation of risks and introducing mitigating measures. In this context, Occupational Health and Safety (OHS) forms an integral part of the organisational strategic management under Enterprise Risk Management (ERM).

An OHS policy is in place. During the 2020-2021 financial year, the Occupational Health and Safety Policy has been reviewed to give effect to the Directive from the Department of Employment and Labour regarding pandemic management and substantial effort went into compliance with the legislative and due diligence requirements associated with the COVID-19 pandemic and related Disaster management Regulations. Relevant COVID-19 policies, procedures and protocols have been developed and implemented and work place plans compiled, amended when necessary, and submitted to the Department of Employment and Labour.

During the financial year, SANParks unfortunately had 8 fatalities due to COVID-19. In addition to the fatalities, 266 employees contracted COVID-19 and two, Malaria. During the year 74 disabling injuries, five minor injuries and two property damaging incidents occurred. All these incidents were reported in accordance with the legal requirements.

As SANParks is a conservation entity, environmental issues form part of its core mandate and is accordingly discussed in detail in Section B under Outcome Goal 1. The organisation and its operations were impacted by natural disasters including veld fires and floods. However, there was no environment incident as defined in the OHS legislation reported during the year.

The Board identified the need to improve on the SHE management system of SANParks and to this end, the SHE strategy and policy are under review.

12. BOARD SECRETARY

SANParks Board Secretary is responsible for advising the Board on governance and compliance issues, and all Board members have access to her services and guidance.

13. SOCIAL RESPONSIBILITY

SANPark's Community Social Legacy Programme under Corporate Social Investment is aimed at advancing SANPark's Vision of "A world class system of sustainable National Parks reconnecting and inspiring society" by contributing to the development of communities living adjacent to national parks through the provision of much needed facilities and services. Community Social Legacy Projects are funded from the 1% tourism income on all accommodation bookings, set aside for this purpose.

In 2020 South Africa and the world was struck by the novel COVID-19 pandemic, a National Disaster in terms of section 36 and 37 of the Constitution of South Africa and section 23(6) of the National Disaster Management Act. The subsequent nationwide lockdown was a necessary step to fundamentally disrupt the chain of transmission and prevent the spread of the virus in order to save the lives of South Africans. The lockdown unfortunately came at a cost for all livelihoods and businesses in South Africa.

SANPark's Socio Economic Transformation Division through its Social Legacy Programme (Corporate Social Investment Programme) during 2020-2021 accordingly redirected investment of the Legacy Fund to provide much needed support in the form of food hampers to 8 500 needy families, 80 water tanks, hand sanitisers and surgical masks to communities neighbouring our national parks (SANParks Covid Relief Programme). More detail on this programme is included in Section B of the Report.

14. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	**Response** **Yes / No**	**Discussion** **(include a discussion on your response and indicate what measures have been taken to comply)**
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	Yes	Every bid for concessions and management contracts require bidders to meet a certain minimum BBBEE level or subcontracting to EMEs and QSEs that are level 1 in terms of BBBEE.
Developing and implementing a preferential procurement policy?	Yes	SANParks' supply chain management policy incorporated PPPFA and its regulations and bid are evaluated for price and BBBEE applying either 80l20 or 90/10 depending on the threshold.
Determining qualification criteria for the sale of state-owned enterprises?	No	There has been no sale of enterprises, however should the need arise to sell any asset of the organisation, the PPPFA Regulations will apply.
Developing criteria for entering into partnerships with the private sector?	Yes	BBBEE and Preferential Procurement Policy Framework and its regulations are integral part of evaluating any bid, PPP etc.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	Yes	BBBEE and Preferential Procurement Policy Framework and its regulations are integral part of evaluating any bid, PPP etc.

PART: D
Human Capital
MANAGEMENT

1. OVERVIEW OF HUMAN CAPITAL

Ms. Makgomo Umlaw
HEAD: HUMAN CAPITAL MANAGEMENT

The 2020/21 reporting period has been a challenging year with the COVID-19 pandemic impacting on the Human Capital Management function, requiring new approaches to deal with employee wellness and productivity during the pandemic. Employees' health is of highest priority but business continuity also has to be ensured. A number of measures have been introduced to manage employees returning to work in a "new normal". Dedicated, healthy and productive employees are necessary for SANParks to achieve its mandate and deliver on the strategic intentions.

1.1. HCM Priority Areas

- Implement Audit Improvement Plan to address the SABPP Audit findings
- Development of HCM Strategy and Structure to deliver the organisational Mandate
- Upgrade and Improve Human Capital Information Management System
- Address the competence levels within the HCM team through Skills Audit
- Learning and Development Initiatives to drive productivity
- Contribute to the implementation of the Integrated Transformation strategy
- Employee Engagement and communication initiatives for employee motivation and retention

1.2. Human Capital Management challenges

- Managing the high cost of labour in a difficult financial situation
- Managing unaffordable high vacancy rate
- Employee Motivation and Retention within difficult conditions
- Managing and linking performance management to productivity while working remotely
- The unprecedented times of managing the workplace during COVID-19 and dealing with remote/virtual office dynamics
- The uptake of Employee Wellness Initiatives during the pandemic

1. 3. Human Capital Management Oversight Statistics

As a public entity, SANParks is required to provide information on human capital management, with all the financial amounts agreeing with the amounts disclosed in the Annual Financial Statements.

Personnel Cost by programme / activity / objective	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	No. of employees	Average personnel cost per employee (R'000)
	R1 194 290 287.45	100.00%	4253	R280 811.26
Occupational Level	**Personnel Expenditure**	**% of Personnel Expenditure to total personnel costs**	**Number of Employees**	**Average personnel cost per employee**
F - Top Management	R16 822 305.05	1.41%	7	R2 403 186.44
E - Senior Management	R69 873 752.96	5.85%	55	R1 270 431.87
D - Middle Management	R226 785 321.91	18.99%	318	R713 161.39
C - Junior Management	R195 677 423.96	16.38%	589	R332 219.74
B - Semi-Skilled	R406 827 762.12	34.06%	1807	R225 139.88
A – Unskilled	R278 303 721.45	23.30%	1477	R188 425.00
Grand Total	**R1 194 290 287.45**	**100.00%**	**4253**	**R280 811.26**

Total 2020/2021 expenditure was R73 507 718.49 less than that of 2019/2020 (R1 267 798 005.94) for several reasons:

1. SANParks budgeted for no cost of living increase and performance bonuses in the 2020/2021 financial year.
2. Uniform allowance (maintenance) was reduced to 50%; however, 50% was not implemented in 2020/2021.
3. Cost-curtailment measures were implemented due to the COVID-19 impact as follows:

3.1. Overtime was reduced by 80%;

3.2. Standby Allowance was reduced by 80%;

3.3. Sunday, Public Holiday remuneration was reduced by 80%;

3.4. Uniforms – Allowance and Issues were reduced by 50%; however, this was not implemented as indicated above;

3.5. Employees expenses (travel, S&T and daily allowances) – only essential travelling was allowed (80% savings).

4. SANParks' employee performance management is linked to organisational performance. In the year under review no performance bonuses were paid.

Training Costs

SANParks continues to fulfil its role in promoting and prioritising skills development by analysing its employees' skills needs by implementing the Workplace Skills Plan. The sudden onset of the COVID-19 severely disrupted employee learning and development in SANParks. The learning and development budget was cut, had to adapt to a blended learning approach, and focus was on compliance training to ensure compliance with COVID-19 regulations. Some training was conducted online.

Programme / activity / objective	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as % of Personnel Cost	No. of employees trained	Avg. training cost per employee
Skills Programme	R 1,194,290, 287.45	R11 335 181.10	0,949	2376	R4 770.70

Short Skills Training

One fundamental objective of training is closing the competency gap of employees to achieve organisational performance objectives. Taking employees through various short skills programmes is one of the practical training interventions designed to be occupationally-based and constituting credits towards a qualification registered on NQF. The 2020/2021 skills development plan comprised accredited compliance training (health and safety, first aid, firearm, customer-focused interventions) and internal non-accredited training (environmental management inspectorate), COVID-19 re-induction.

Leadership Development

Leadership development programmes provide essential leadership skills and attributes for leaders to be influential. In this financial year, leadership programmes focused on technical skills for critical positions in tourism (hospitality service and duty managers) and conservation (field guides and rangers).

The hospitality leadership programme was implemented in partnership with the private hotel school to deliver on the Higher Certificate in Hospitality Management qualification at NQF Level 5 for three years. In addition, a training impact assessment (examining trends, impact and return on investment) to measure the change/impact on operational performance, customer experience and organisational business intentions is undertaken. Due to COVID-19 impacts, modules had to be conducted online.

The ranger corps leadership programme saw 15 employees receiving bursaries this year from the Southern African Wildlife College to study for the Higher Certificate in Nature Conservation and the Advanced Certificate in Nature Conservation.

Learner Pipeline

The pipeline aims to provide training not only for SANParks' needs but to contribute to the development of scarce and critical skills within the country. During the reporting period 3% of the total establishment (128 learners) were involved with the programme. The learners were put on a workplace learning programme which includes graduate internship, workplace integrated learning (WIL) and learnership programmes.

Partnership with Learning Institutions

In the year under review, SANParks finalised and signed a memorandum of agreement with the Southern African Wildlife College (SAWC). This is in recognition of the training role that SAWC offers to the wildlife industry and, in particular, to the Southern African Development Community region. SANParks formally recognises the SAWC as its strategic partner.

Employment and vacancies 2020/2021

Occupational Level	2020/2021 No. of Employees (Warm Bodies)	2020/2021 Approved Posts	2020/2021 No. of Employees (Filled posts)	2020/2021 (Vacancies)	% of Vacancies
F - Top Management	7	9	7	2	22.2%
E - Senior Management	49	66	49	17	25.8%
D - Middle Management	300	370	300	70	18.9%
C - Junior Management	570	690	570	120	17.4%
B - Semi-Skilled	1743	1973	1743	230	11.7%
A – Unskilled	1404	1547	1404	143	9.2%
Grand Total	**4073**	**4655**	**4073**	**582**	**12.5%**

Employment changes 2020/2021

Occupational Level	Employment at the beginning of the period (31 March 2020)	Appointments	Terminations	Employment at the beginning of the period (31 March 2021)
F - Top Management	6	1	0	7
E - Senior Management	51	4	6	49
D - Middle Management	304	11	16	300
C - Junior Management	576	6	17	570
B - Semi-Skilled	1784	14	54	1743
A – Unskilled	1454	8	60	1404
Grand Total	**4175**	**44**	**153**	**4073**

Reasons for staff leaving during 2020/2021

Reason	Number	% of total no. of staff leaving
Death	29	18.95%
Resignation	40	26.14%
Dismissal	29	18.95%
Retirement	48	31.37%
Ill health	6	3.92%
Expiry of contract	0	0.00%
Other – Absconded	**1**	**0.65%**
Total	**153**	**100.00%**

Labour Relations: Misconduct and disciplinary action

Nature of Disciplinary Action	Number
Verbal Warning	8
Written Warning	91
Second Written Warning	2
Final Written Warning	102
Dismissal	40
Demotion	0
Not Guilty	**6**
TOTAL	**249**

Compliance with labour legislation

SANParks complied with applicable labour legislation, which resulted in good governance and labour peace for the organisation. Consequently, there were no disputes lodged against the organisation for failure to comply with any labour legislation during the period under review.

Union activities

Trade Union membership in SANParks

The following recognised trade unions played an active role within SANParks

Trade Union	Total Membership
Health and Other Services Personnel Trade Union of South Africa (HOSPERSA)	1475
National Education, Health and Allied Workers Union (NEHAWU)	179
National Union of Public Service and Allied Workers (NUPSAW)	2008

Trade Union Engagements

COVID-19 Liaison with Trade Unions: National Task Team

As a consequence of the COVID-19 pandemic, a National Task Team comprised of management and trade union representatives was established during April 2020 under SANParks' National Strategic Action Plan on the COVID-19 pandemic. Monthly meetings have been held with the trade unions, yielding positive results (there were no disputes related to the COVID-19 pandemic) and focusing on, amongst others:-

- Sharing protocols and guidelines and coordinating input from trade unions;
- Consulting trade unions on changes in benefits and work conditions of employees;
- Engaging trade unions on fair labour practices during COVID-19; and
- Partnering with trade unions ineffective communications and building awareness amongst employees.

Consultation on employment-related matters

The Labour Relations department consulted with trade unions on a number of issues, amongst others the employees transport policy, return to work standard operating procedure, disciplinary policy and procedure, grievances, restructuring, management and employees structures, communication plan, employment equity and skills training, and housing. Consultations yielded positive results. Consultation Agreements were entered into between SANParks and the trade unions, ensuring that the workplace is stable.

Salary negotiation between HOSPERSA, NUPSAW and SANParks

Trade unions submitted salary demands, which SANParks did not accept because SANParks contended that due to its dire financial constraints caused by the COVID-19 pandemic lockdown, the demands were unaffordable. The organisation further consulted the trade unions on cost curtailment measures, which included maintaining the headcount and increasing the vacancy rate by only filling 10% of budgeted vacancies; no annual salary increases or pay progression; no performance bonuses; freezing/temporary reduction of benefits; and reduction of overtime, Sunday and public holiday pay. After an intervention by the CCMA, SANParks signed an Agreement with NUPSAW, which entailed, amongst others, the following:-

1. Due to financial constraints as a consequence of the COVID-19 pandemic, all employees in the bargaining unit shall not receive salary increases, pay progression and performance bonuses during the 2020-21 financial year; and
2. There will be no adjustments to allowances and fringe benefits for the 2020-2021 financial year.

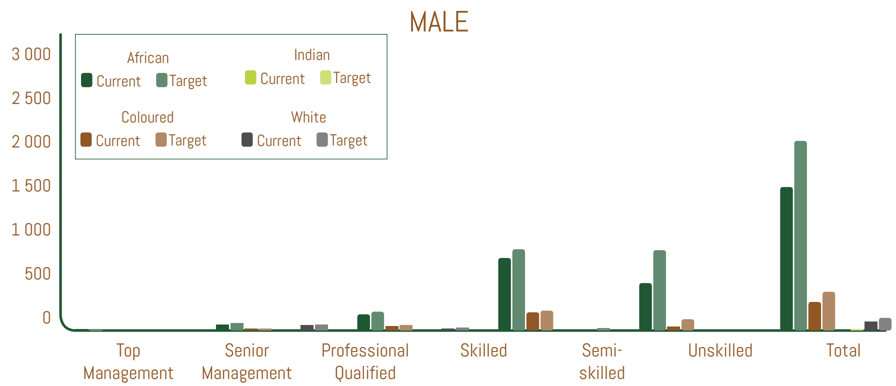
Management of labour litigation

SANParks managed labour disputes efficiently to ensure minimum liability to SANParks. Consequently, SANParks amicably resolved the 15 CCMA cases in SANParks' favour and one in an employee's favour.

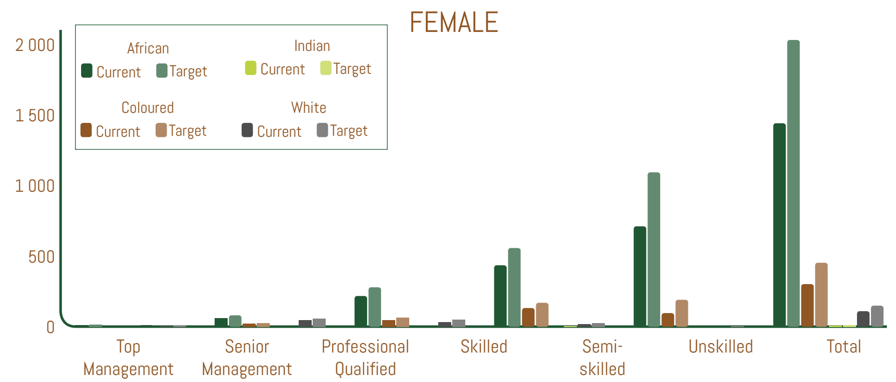
Equity Target and Employment Equity Status

SANParks' employment equity plan focuses on eliminating discrimination and implementing affirmative action measures to redress past disadvantages and remove systemic barriers faced by designated groups. To ensure SANParks achieves equitable representation in all occupational categories, the employment equity plan (January 2020 to December 2022) outlines targets. However, given the outbreak of the COVID-19 pandemic and the hard lockdown regulations and protocols imposed on the country during 2020/21, implementation of the employment equity plan was put on hold, halting progress on employment equity.

Male								
	African		Coloured		Indian		White	
Levels	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	4	4	0	0	0	0	1	0
Senior Management	15	20	6	5	1	1	8	14
Professional Qualified	78	97	22	26	5	6	71	75
Skilled	215	250	58	69	1	4	24	39
Semi-skilled	962	1078	242	264	1	5	11	28
Unskilled	629	1066	51	150	0	2	1	12
TOTAL	1903	2515	379	514	8	18	116	168

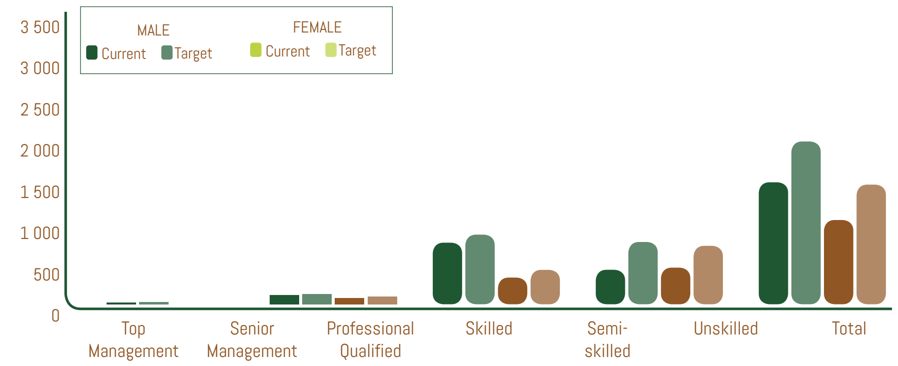


Female								
	African		Coloured		Indian		White	
Levels	Current	Target	Current	Target	Current	Target	Current	Target
Levels	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	2	0	0	0	0	1	1
Senior Management	11	13	1	2	1	1	6	7
Professional Qualified	55	73	20	23	2	2	44	51
Skilled	195	250	43	57	2	3	31	45
Semi-skilled	389	498	119	152	2	5	16	24
Unskilled	635	976	87	171	0	1	1	6
TOTAL	1286	1812	270	405	7	12	99	134



Nevertheless, SANParks is committed to promoting equal opportunities for and fair treatment of all employees regardless of gender, race, sexual orientation, religion, language or age. The organisation recognises that past South African laws and practices were discriminatory. This led to the current disparities in employment, occupation and income in the national labour market, with black people, women and people with disabilities being the most disadvantaged groups in South Africa.

	MALE		FEMALE	
Levels	**Current**	**Target**	**Current**	**Target**
Top Management	5	4	2	3
Senior Management	30	40	19	23
Professional Qualified	179	204	121	149
Skilled	298	362	272	355
Semi-skilled	1 216	1 375	527	679
Unskilled	**681**	**1 230**	**723**	**1 154**
TOTAL	**2 409**	**3 215**	**1 664**	**2 363**



Explanations for variance

Occupational Level	Male	Female
Top Management	Target exceeded	Target not met due to scarcity and intense competition for talent at this level
Senior Management	Target not met due to slow turn-over of staff and moratorium on filling vacancies	Target not met due to scarcity and intense competition for talent at this level as well as slow turn-over of staff

Occupational Level	Male	Female
Professionally Qualified	Target not met due to slow turnover of staff as well as non-retention of black staff Focussed recruitment drive needed to achieve targets	Target not met due to slow turnover of staff as well as non-retention of black female staff Targeted recruitment drive required to achieve targets
Skilled	Target not met due to slow turnover of staff as well as non-retention of black staff Focused recruitment drive needed to achieve targets	Target not met due to slow turnover of staff as well as non-retention of black female staff Targeted recruitment drive required to achieve targets
Semi-Skilled	Not met	Not met
Unskilled	Not met	Not met

Note:

Due to the COVID 19 Pandemic and the associated protocols followed in SANParks, little or no recruitment activities took place over the reporting period, which harmed the achievement of EE targets. Furthermore, cost curtailment measures and moratoriums were instituted as a result of the hard lockdown.

SUMMARY OF THE EMPLOYMENT EQUITY PROGRESS REPORT TO BE INCLUDED IN THE ANNUAL REPORT

Every designated employer is required in terms of Section 22 of the Act to publish a summary of their employment equity report in that employer's annual report. Every employer who is required to comply with Section 22 must follow the format below.

Occupational levels

Please report the total number of employees (including employees with disabilities) in each of the following occupational levels. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	4	0	0	2	1	0	0	1	0	0	8
Senior management	20	6	1	20	16	2	1	7	0	0	73
Professionally qualified and experienced specialists and mid-management	100	24	5	87	68	22	3	52	3	0	364
Skilled technical and academically qualified workers, junior management, supervisors and superintendents	267	77	2	40	254	56	1	46	0	1	744
Semi-skilled and discretionary decision making	1 267	282	2	18	694	161	4	23	0	2	2 453
Unskilled and defined decision making	1 273	226	2	71	1 323	264	0	10	0	1	3 170
TOTAL PERMANENT	**2 931**	**615**	**12**	**238**	**2 356**	**505**	**9**	**139**	**3**	**4**	**6 812**
Temporary employees	20	6	0	2	29	3	0	0	0	0	60
GRAND TOTAL	**2 951**	**621**	**12**	**240**	**2 385**	**508**	**9**	**139**	**3**	**4**	**6 872**

The total number of employees for people with disabilities in the different occupational levels. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	1	0	0	1	0	0	0	0	0	0	2
Professionally qualified and experienced specialists and mid-management	1	0	1	2	0	0	0	1	0	0	5
Skilled technical and academically qualified workers, junior management, supervisors and superintendents	1	1	0	1	1	1	0	2	0	0	7
Semi-skilled and discretionary decision making	5	9	0	0	4	2	0	1	0	1	22
Unskilled and defined decision making	2	4	0	0	4	0	0	0	0	0	10
TOTAL PERMANENT	**10**	**14**	**1**	**4**	**9**	**3**	**0**	**4**	**0**	**1**	**46**
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	**10**	**14**	**1**	**4**	**9**	**3**	**0**	**4**	**0**	**1**	**46**

Managing Transformation

As an integral part of South African society, the South African National Parks (SANParks) believes that it is in its best interest and in the community's interest to help facilitate more significant economic equity and the inclusion of people from diverse sectors of society in the formal economy. This is in line with the South African constitution and the SANParks vision and mission. As a conservation and tourism organisation, we have already made considerable progress in helping to create a more equitable economy and an enabling working environment.

While significant progress has been made in becoming a transformed organisation, such as the drafting and approval by the board of the SANParks Transformation Integrated Strategy and Transformation Charter and the new three-year Employment Equity Plan, lots of work remains to be done.

Priority areas include increasing the number of women at all levels, including at top and senior management and people with disabilities, to participate more fully in leadership and decision making roles in our organisation. We will also focus on closing the gaps in areas where one group is underrepresented, particularly African women and men at all management levels.

Transformation is managed through the COO Division supported by Human Capital Management and the SANParks Employment Equity and Skills Development Central Committee (Central EESDF), which review monthly and quarterly progress, respectively, and executive management employee-elected employment equity and skills development forums in each region. These forums serve as consultation partners to management on transformation-related issues and generally have both management and employee representatives, including unions, as well as diverse race and gender representation.

Employment equity targets are set annually to represent black people, women and people with disabilities at all occupational levels.

As can be seen from the Transformation Integration Strategy and Transformation Charter, SANParks has committed itself to pursue transformation beyond employment equity and not only to be transformed organisation but contribute meaningfully to the transformation of the sectors are we active in. In terms of organisational transformation, and in addition to employment equity and skills development, SANParks pursues transformation through inter alia the development and embedding of an ethical organisational culture, digital transformation and re-engineering of processes and systems towards greater efficiency.

The Tourism Growth strategy implemented by SANParks is already yielding results in facilitating transformation in the tourism sector whereby entry of previously excluded businesses are facilitated through identified business opportunities and terms and conditions of new concessions calls for greater participation, and empowerment of black tourism businesses.

The work of our Socio-Economic Transformation Department, together with our Supply Chain Management unit, facilitated increased use of QSEs; EMEs and other SMMEs in our procurement processes. The SET department also assists with transformation in the conservation sector by facilitating participation in the biodiversity economy.

SANPARKS COMMITMENT TO TRANSFORMATION AS CONTAINED IN THE TRANSFORMATION CHARTER:

SANParks Transformation Vision

To create a new SANParks for a prosperous South Africa by harnessing our collective power and knowledge to transform ourselves and the communities in which we function

Transformation Mission

To create a SANParks brand that resonates with and belongs to all South Africans

In order to achieve the vision and mission, SANParks is committed to integrate all our efforts across four pillars of transformation, namely: Organisational Transformation; Transformation of our Client Demographic; Supporting Transformation and Economic Development of Communities and Stakeholders; and Actively Participating in Land Transformation towards Inclusivity.

The Comprehensive Transformation Charter can be accessed on the SANParks Website – www.sanparks.org

PART: E Financial REPORT

INDEX

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

GRAP	Generally Recognised Accounting Practice
PFMA	Public Finance Management Act

CFO FINANCIAL OVERVIEW

Mr. Dumisani Dlamini
CHIEF FINANCIAL OFFICER

Financial Results

SANParks has concluded the financial year under challenging conditions given the global impact of the COVID-19 pandemic on the tourism sector due to lockdowns as well as domestic and international travel bans. SANParks is a schedule 3A public entity with a track record of strong financial performance over the past decades, however the impact of the pandemic on travel and tourism has negatively impacted its ability to generate the requisite levels of tourism revenue to assist the organisation to bridge the government funding gap as has been common practice.

The travel ban on intra-provincial leisure travel was lifted in June 2020 while intra-provincial leisure travel was allowed from August 2020; in parallel to the easing of these bans, was the granting of permission for hospitality services to resume operations under strict restrictions. This was an unexpected boon for the tourism industry as earlier indications were that hospitality services would only be allowed to resume operations in December 2020. As a result SANParks tourism revenues were higher than the initial projections.

This tentative recovery was disrupted by the advent of the second wave of COVID-19 and the discovery of a new variant of the virus unique to South Africa toward the end of 2020. Consequently over 100 countries restricted their citizens from travelling to South Africa and in mid-December 2020 the Eastern and Western Cape were declared hotspots. The latter resulted in amongst others, the closure of beaches in these provinces leading to declines in visitor numbers in the coastal national parks.

Financial Analysis

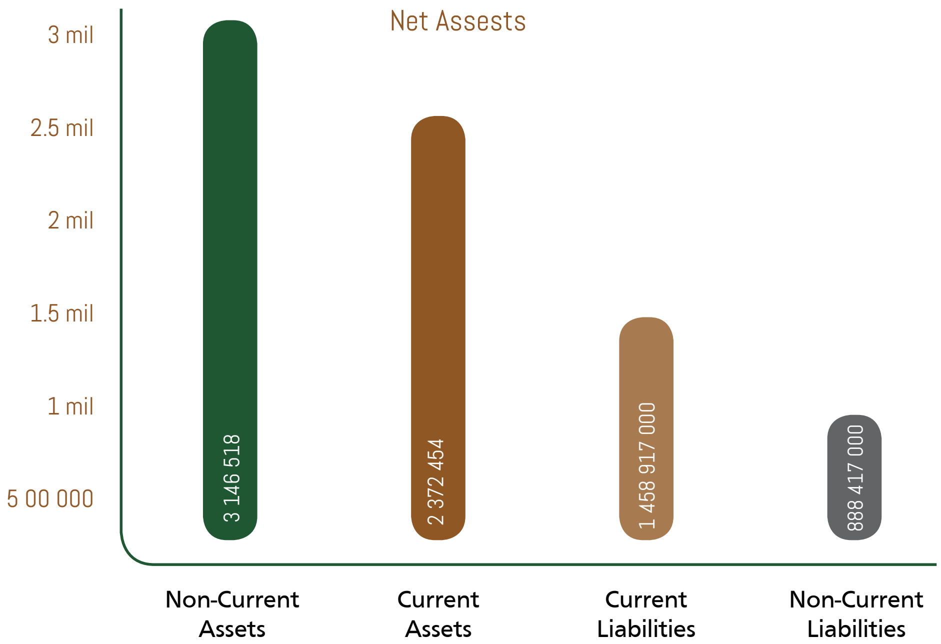
The adverse circumstances that the tourism industry faces are temporary and by all indications the industry will obtain and discover full recovery in the next three years. SANParks is confident that the roll-out of the vaccination programme will gain sufficient traction to bolster domestic and international tourism.

Reserves available are committed and set aside for capital and special projects. The debtors' collection period has declined from 17 to 61 days. This is mainly due to concessionaires who were not able to meet their obligations due to the impact of lockdowns on their operations; some of the concessionaires applied for a relief which was subsequently granted.

Non-current liabilities amount to R888 million (R873 million – 2019/2020). The increase is mainly due to the increase in employee benefit obligation. Current liabilities are R1,458 billion (R1,693 billion - 2019/2020) and are 16% less than the previous year, mainly due to a decrease in operating costs.

It takes SANParks an average of 26 days to settle trade account payables; this complies with the PFMA and National Treasury Regulations, which require invoices to be paid within 30 days. As indicated by the current ratio of 1.63:1, SANParks' current assets are more significant than its current liabilities. The acid test ratio is 1.60:1; indicating that SANParks can meet its current obligations using its liquid assets.

CFO FINANCIAL OVERVIEW

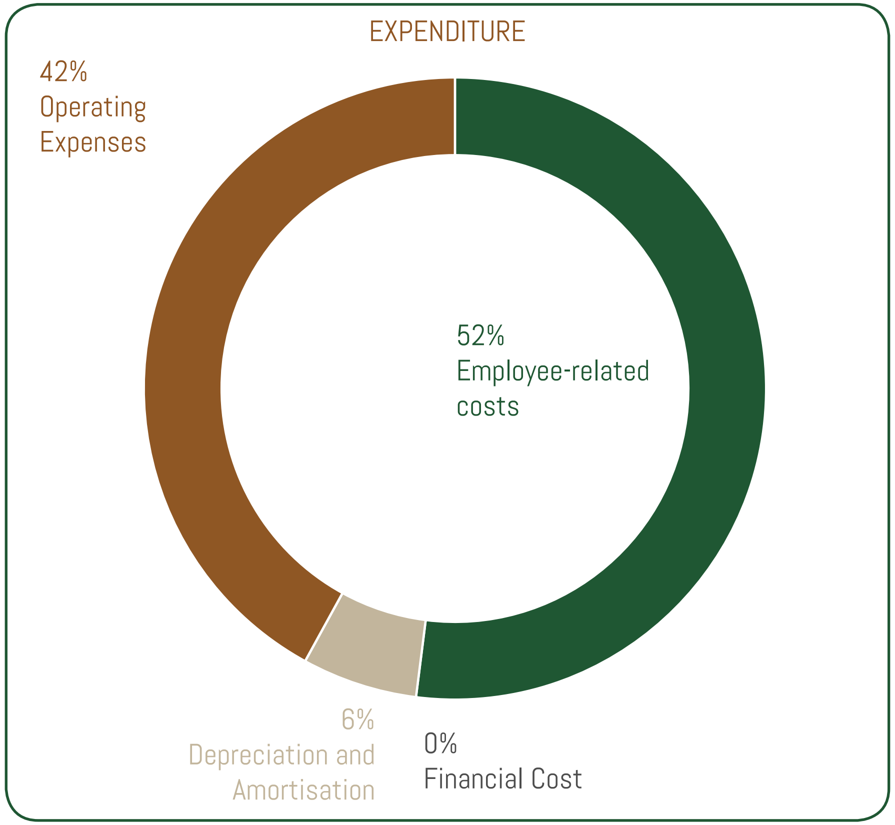


The implementation of the Resource Mobilisation and Partnership Strategy is well underway driven primarily by the principle of building sustainable partnerships with sponsors and partners. The emphasis was put on exceeding the set annual target and this objective was achieved and exceeded by 1.02%.

The implementation of the 10 year Financing Strategy approved by the Board in 2019/20 continues; during the year under review an Investment Committee was established as part of the implementation of the strategy. The Committee consists of three external members namely Messers Andile Khumalo (Chairperson), Chris Hock and Sechaba Kou as well as four SANParks executives.

The primary focus of the Investment Committee is to review all project proposals. The bidding process will enhance the quality of projects over time and incentivise individual parks to improve their project business cases and revenue generating projects.

CFO FINANCIAL OVERVIEW



In Conclusion

SANParks adopted a capital allocation approach that ensures objective decision-making processes for all projects and translates strategic priorities into budget allocations that best achieve the conservation and tourism mandate of the organisation. Overseeing the capital allocation in an objective and strategic priority driven manner is pivotal to the work of the Investment Committee.

The Committee is also reviewing and refining the capital allocation approach and testing its feasibility for SANParks. One of the main pillars of the capital allocation approach is for the financing of the Tourism growth products off-balance sheet through PPPs, concessions and other funding mechanisms.

This necessitates the organisation to expedite the speed of delivery of PPP projects and as such the organisation is in the process of appointing a panel of transaction advisors to assist in structuring new tourism opportunities and projects.

The Supply Chain Management (SCM) function is being bolstered with external professional assistance. This is particularly in response to the organisation's identified weakness in meeting its own objective of a strong emphasis on enterprise development to assist EME and QSE to access procurement opportunities and sustain them when appointed. Our lack of capacity in this area is one of the primary reasons that there was an overall under achievement against the annual BBBEE target of 65% recorded in Q1 and Q2; a situation that was exacerbated by these two quarters occurring during the COVID-19 pandemic level 5 lockdown where non-essential business activity was not permitted.

There is an overall overachievement against the yearly target of 30% for combined EME and QSE expenditure. This is attributed by business units having resumed operations with the ease of COVID-19 lockdown levels which resulted in resumption of most economic activities.

Mr. Dumisani Dlamini
Chief Financial Officer

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE SOUTH AFRICAN NATIONAL PARKS

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the South African National Parks, set out on pages 182 to 277, which comprise the statement of financial position as at 31 March 2021, statement of financial performance and statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the South African National Parks as at 31 March 2021, and its financial performance and cash flows for the year then ended, in accordance with Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, (Act No. 1 of 1999) (PFMA).

Basis for opinion

3. 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 my report.

4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other 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.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Subsequent event

7. I draw attention to note 38 in the financial statements, which deals with subsequent events and specifically the removal of irregular expenditure by the accounting authority amounting to R 411 016 966. Further disclosure on this item has also been included under note 31 relating to irregular expenditure.

Impact of covid-19 on the auditee's financial statements

8. I draw attention to note 39 to the financial statements, which deals with the public entity's going concern and specifically the possible effects of the future implications of covid-19 on the public entity's prospects, performance and cash flows. Management also describes how they plan to deal with these events and circumstances.

Restatement of corresponding figures

9. As disclosed in note 41 to the financial statements, the corresponding figures for 31 March 2020 were restated as a result of an error in the financial statements of the public entity at, and for the year ended, 31 March 2021.

Material deficit for the year

10. As disclosed in the statement of financial performance, a material deficit of R 78 012 000 was incurred for the 2020-21 financial year as a result of a significant reduction of the public entity's regulated revenue streams that depend on the tourism industry. This was due to travel restrictions and lockdown regulations imposed by government throughout the year.

Responsibilities of the accounting authority for the financial statements

11. The board of directors, which constitutes the accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the PFMA, and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

12. In preparing the financial statements, the accounting authority is responsible for assessing the public entity'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 appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE SOUTH AFRICAN NATIONAL PARKS

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

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

14. 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.

Report on the audit of the annual performance report

Introduction and scope

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

16. My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the public entity. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the public entity enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objective presented in the public entity's annual performance report for the year ended 31 March 2021:

Objectives	Pages in the annual performance report
Strategic outcome goal 1 – Sustainable biodiversity and cultural heritage across land and sea delivers benefits for the people of South Africa and the world, now and in the future	30 – 79

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

19. I did not raise any material findings on the usefulness and reliability of the reported performance information for the strategic outcome goal 1 – Sustainable biodiversity and cultural heritage across land and sea delivers benefits for the people of South Africa and the world, now and in the future.

Other matters

20. I draw attention to the matters below.

Achievement of planned targets

21. Refer to the annual performance report on pages 77 to 81, 101 to 103, 109 to 114, 116 to 122 for information on the achievement of planned targets for the year and management's explanation provided for the achievement of targets.

Adjustment of material misstatements

22. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Strategic outcome goal 1 – Sustainable Biodiversity and Cultural Heritage across land and sea delivers benefits for the people of South Africa and the world, now and in the future . As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness of the reported performance information.

Report on the audit of compliance with legislation

Introduction and scope

23. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the public entity's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

24. The material findings on compliance with specific matters in key legislation are as follows:

Expenditure management

25. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R 43 359 000 as disclosed in note 31 to the annual financial statements, as required by section 51(1)(b)(ii) of the PFMA. The majority of the expenditure resulted from procurement processes not being followed during previous financial years, which was identified in the current period.

Annual financial statements, performance and annual report

26. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework, as required by section 55(1)(a) of the PFMA.

27. Material misstatements of expenditure identified by the auditors in the submitted financial statement were corrected, resulting in the financial statements receiving an unqualified audit opinion.

Other information

28. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported in this auditor's report.

29. 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 on it.

30. 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 objectives presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

31. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, and if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

32. 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 findings on compliance with legislation included in this report.

33. The internal controls over the processing and reconciling of transactions were inadequate in ensuring that expenditure items were classified according to their nature and included in the correct financial period. Substantial subsequent intervention of detective and corrective controls was required to rectify these issues.

34. Compliance assurance controls, to effectively prevent transgressions of laws and regulations in relation to the public entity's supply chain and contract management practices, were not effectively reviewed and monitored by management.

35. Due to inadequate staffing within internal audit, the function did not provide sufficient assurance to the public entity throughout the period. The appropriateness and continuous functioning of significant controls were not evaluated timeously due to key audit programmes not having been completed as planned during the year.

Auditor - General

Pretoria
31 August 2021

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

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 objectives and on the public entity's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

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

Communication with those charged with governance

3. I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

4. I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

GENERAL INFORMATION

Country of incorporation and domicile:	South Africa
Nature of business and principal activities:	In terms of the National Environmental Management: Protected Areas Act, 57 of 2003, SANParks mandate is to conserve, protect, control, and manage national parks and other pre-defined protected areas and their biological diversity (biodiversity).
Registered office:	643 Leyds Street Muckleneuk Pretoria South Africa 0002
Business address:	643 Leyds Street Muckleneuk Pretoria South Africa 0002
Postal address:	PO Box 787 Pretoria 0001
Controlling entity:	Department of Forestry, Fisheries and the Environment (DFFE) 473 Steve Biko Road Arcadia Pretoria 0083
Bankers:	First National Bank 1 First Place 7th Floor Bank City Johannesburg 2000
Auditors:	Auditor General of South Africa (AGSA) 300 Middel Street New Muckleneuk Pretoria 0002
Secretary:	Ms. M Mathabathe

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY OF THE ANNUAL REPORT

The Board is responsible and accountable for the integrity of the Financial Statements of the organisation and the objectivity of other information presented in the Annual Report.

To the best of the Boards' knowledge and belief, the following can be confirmed:

- All information and amounts disclosed in this Annual Report are consistent with the Annual Financial Statements to be audited by the AGSA. The report is complete, accurate and free of omissions,
- The Annual Report has been prepared in accordance with the guidelines issued by National Treasury and Annual Financial Statements were prepared in accordance with the PFMA, and Generally Recognised Accounting Practice (GRAP),
- The going concern basis has been adopted in preparing the Financial Statements. The Board, after having reviewed management's assessment of SANParks ability to operate as a going concern, has a reasonable expectation that the organisation will have adequate resources to continue its operations as a going concern for the foreseeable future,
- Management and employees operated within a framework requiring compliance with all applicable laws and maintenance of the highest integrity in the conduct of all aspects of the business, except where indicated otherwise in the Annual Report.

The AGSA is responsible for expressing an independent opinion on the Annual Financial Statements of SANParks.

The Board is well versed of its responsibilities as stipulated in the PFMA. Those responsibilities include, but are not limited to the following:

- establishing and maintaining effective, efficient and transparent systems of financial, risk management and internal controls;
- safe-guarding of assets and the management of the revenue, expenditure and liabilities of SANParks;
- taking effective and appropriate steps to prevent irregular, fruitless and wasteful expenditure, losses resulting from criminal conduct, and expenditure not complying with the operational policies of SANParks;
- taking effective and appropriate disciplinary steps against any employee(s) of SANParks who contravenes or fails to comply with a provision of the PFMA; or commits an act which undermines the financial management and internal control system of SANParks; or makes or permits an irregular expenditure or a fruitless and wasteful expenditure to be incurred;
- keeping full and proper records of the financial affairs of SANParks; and
- preparation of financial statements for each financial year, in accordance with GRAP.

In the Board's opinion, the Annual Financial Statements fairly presents in all material respects, the state of affairs of SANParks, its business, its financial results, its performance against predetermined objectives for the year ended 31 March 2021 and its financial position as at 31 March 2021

Dr. Luthabo Dziba
Acting Chief Executive Officer

J. Yawitt

Ms. Joanne Yawitch
Chairperson

Pretoria
31 August 2021

AUDIT AND RISK COMMITTEE REPORT

1. INTRODUCTION

1.1 Composition

The Committee consists of six independent non-executive members as well as a representative of the Department of Forestry, Fisheries and the Environment. Members of management as well as internal and external audit representatives are permanent invitees to Audit and Risk Committee meetings. The Committee reviewed SANParks' financial policy as well as reports by internal and external auditors. The Chairperson of the Committee reported to the Board every quarter on how the Audit and Risk Committee discharged responsibilities contained in its charter.

2. INTERNAL AUDIT AND THE EFFECTIVENESS OF INTERNAL CONTROLS

The Accounting Authority is required, in terms of the PFMA, to ensure that the entity maintains an effective, efficient and transparent system of financial and risk management and internal control.

In line with the PFMA, Internal Audit is expected to provide the Audit and Risk Committee as well as Management with assurance that the internal controls are appropriate and effective. This is to be achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to controls and processes.

Internal challenges led to delays in finalising the bid for a co-source internal audit panel, as a result there was insufficient internal audit capacity to provide the required assurance on internal controls. Contractors were sourced in the last quarter of the year to temporarily augment internal audit capacity for a period of six months. The bid for co-source internal audit service providers was also advertised in the last quarter and it will be awarded by 31 May 2021.

The internal audit charter was updated to ensure compliance with regulations and best practice. The 2020/2021 internal audit plan was amended in the last quarter to focus on priority areas, including audit of the 3rd quarter performance information as well as follow up IT audits on network security and general controls.

AUDIT AND RISK COMMITTEE REPORT (CONTINUED)

2.1 Governance of risk

The Committee is responsible for overseeing the risk management process.

In terms of the Public Finance Management Act and associated Treasury Regulations, the Accounting Authority is responsible to ensure that SANParks has an effective and efficient system of managing risk. Treasury has further developed a Framework on Risk Management that, as per the preamble of the Framework, has the sole purpose of giving effect to this requirement. SANParks has over the past couple of years, diligently implemented the Framework, augmented with current best practice internationally and has, as result obtained a maturity rating of level 4 (Risk integrated) when independently assessed on behalf of the Shareholder during 2019. Whilst risk maturity has not been independently assessed since then (assessment planned for 2021-22), the Committee is of the view that this level has not only been maintained, but with the additional measures implemented, SANParks is well on its way towards Risk Intelligent, or a level 5 maturity rating.

The COVID-19 lockdown had a negative impact on SANParks' revenue, financial sustainability as well as infrastructure maintenance, and risks related to these areas breached their tolerance levels. Risk management and mitigation measures in this regard include expanding tourism product diversity and identifying alternative funding sources. Critical Controls to contain and mitigate the risks relating to COVID-19 was implemented and the Board updated on COVID-19 related statistics.

Other risks which consistently breached tolerance levels are those relating to talent management, conduct (culture, ethics and integrity) as well as fraud and corruption. The Committee will continue to monitor risk management and mitigation measures in these areas to ensure that the risks are brought within SANParks' tolerance levels.

The position of GM: Risk became vacant in the 4th quarter and it will be filled in the 2021/2022 financial year.

Some improvement is required to ensure effectiveness of SANParks' risk management and mitigation processes, and to ensure that risk management is fully embedded within the organisation.

3. QUALITY OF MANAGEMENT AND QUARTERLY REPORTS SUBMITTED IN TERMS OF THE PFMA

The Committee is satisfied:

- With the content and quality of management and quarterly reports prepared and issued by SANParks during the year under review.
- That the finance function is adequately skilled and experienced. A few important vacancies within finance exist.
- That the Chief Financial Officer has the appropriate skill and experience to discharge his responsibilities.

3.1 Quality of budgets submitted in terms of the PFMA

Notwithstanding the negative impact of COVID-19 on SANParks' finances, the Committee is satisfied that budgets were carefully and diligently considered and managed by SANParks during the financial year.

4. EVALUATION OF THE ANNUAL FINANCIAL STATEMENTS

The Committee performed a review on the annual financial statements focusing on:

- Significant financial reporting judgments and estimates contained in the annual financial statements;
- Clarity and completeness of disclosure and whether disclosures made have been set properly in context;
- Quality and acceptability of, and any changes in, accounting policies and practices;
- Compliance with accounting standards and legal requirements;
- Significant adjustments and/or unadjusted differences resulting from the audit;

AUDIT AND RISK COMMITTEE REPORT (CONTINUED)

- Reflection of unusual circumstances or events and management's explanation for the accounting treatment adopted;
- Reasons for major year-on-year fluctuations;
- Asset valuations and revaluations;
- Calculation and levels of general and specific provisions;
- Write-offs and reserve transfers; and
- The basis for the going concern assumption.

The external audit function which is performed by the Auditor General of South Africa, is independent of SANParks.

The Committee concurs with and accepts the conclusions of the Auditor-General on the annual financial statements, and is of the view that the audited financial statements be accepted and read together with the report of the Auditor-General. The Committee has met with the Auditor-General South Africa to ensure that there are no unresolved issues.

Adv. T Mphahlane
Chairperson of the Audit Committee
Date: 31 August 2021

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Notes	2021 R'000	2020 Restated* R'000
Assets			
Current Assets			
Inventories	2	49,952	51,841
Receivables from exchange transactions	3	90,012	45,347
Receivables from non-exchange transactions	4	-	10,141
Cash and cash equivalents	5	2,232,490	2,542,600
		2,372,454	**2,649,929**
Non-Current Assets			
Property, plant and equipment	6	2,087,532	2,101,438
Intangible assets	7	9,852	19,251
Heritage assets	8	761,554	754,759
Receivables from exchange transactions	3	287,580	291,183
		3,146,518	**3,166,631**
Total Assets		**5,518,972**	**5,816,560**
Liabilities			
Current Liabilities			
Finance lease obligation	11	49,683	52,327
Payables from exchange transactions	12	228,957	360,736
Unspent conditional grants and receipts	14	739,080	877,081
Provisions	15	48,569	27,901
Reservation deposits	16	392,628	375,276
		1,458,917	**1,693,321**

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021 (CONTINUED)

	Notes	2021 R'000	2020 Restated* R'000
Non-Current Liabilities			
Finance lease obligation	11	52,278	90,037
Employee benefit obligation	13	548,559	492,373
Provisions	15	287,580	291,183
		888,417	**873,593**
Total Liabilities		**2,347,334**	**2,566,914**
Net Assets		**3,171,638**	**3,249,646**

STATEMENT OF FINANCIALS PERFORMANCE

	Notes	2021 R'000	2020 Restated* R'000
Revenue			
Revenue from exchange transactions			
Tourism, Retail, Concession and Other	17	834,792	2,271,303
Sales - fauna and flora	18	4,753	16,942
Other operating income	19	55,563	46,862
Interest income	20	49,075	72,974
Total revenue from exchange transactions		**944,183**	**2,408,081**
Revenue from non-exchange transactions			
Transfer revenue			
Government grants and other funding	21	1,515,235	713,208
Donations	22	36,850	46,813
Total revenue from non-exchange transactions		**1,552,085**	**760,021**
Total revenue		**2,496,268**	**3,168,102**
Expenditure			
Employee related costs	23	(1,339,605)	(1,328,223)
Depreciation and amortisation	24	(146,220)	(171,361)
Finance costs	25	(7,806)	(15,365)
Operating lease payments	26	(40,389)	(39,380)
Repairs and maintenance	27	(163,630)	(164,844)
Loss on disposal of assets	28	(14,621)	(3,717)
Operating expenses	29	(862,009)	(1,210,392)
Total expenditure		**(2,574,280)**	**(2,933,282)**
(Deficit) surplus for the year		**(78,012)**	**234,820**

STATEMENT OF CHANGES IN NET ASSESTS

	Notes	2021 R'000	2020 Restated* R'000
		Accumulated surplus '000	Total net assets '000
Opening balance as previously reported		2,796,430	2,796,430
Prior period adjustment (Note 41)		218,400	218,400
Balance at 01 April 2019 as restated*		**3,014,830**	**3,014,830**
Changes in net assets Surplus for the year			
Surplus for the year		**234,820**	**234,820**
Total changes		234,820	234,820
Restated* Balance at 01 April 2020		**3,249,650**	**3,249,650**
Changes in net assets			
Deficit for the year		(78,012)	(78,012)
Total changes		(78,012)	(78,012)
Balance at 31 March 2021		**3,171,638**	**3,171,638**
Note(s)			

CASH FLOW STATEMENT

	Notes	2021 R'000	2020 Restated* R'000
Cash flows from operating activities			
Receipts			
Cash receipts from exchange transactions		878,955	2,320,485
Cash receipts from non-exchange transactions		1,319,719	**941,570**
Interest income		47,894	72,974
		2,246,568	3,335,029
Payments			
Employee costs		(1,223,564)	(1,348,374)
Suppliers		(947,739)	(1,271,317)
Finance costs		-	(33)
		(2,171,303)	(2,619,724)
Net cash flows from operating activities	33	**75,265**	**715,305**
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(141,059)	(70,778)
Proceeds from sale of property, plant and equipment	6	-	2,306
Purchase of intangible assets	7	(1,070)	(3,285)
Expenditure from conditional grants	14	(315,333)	(81,664)
Cash received from conditional grants	14	127,740	214,872
Purchase of heritage assets	8	(6,936)	-
Net cash flows from investing activities		**(336,658)**	**61,451**

CASH FLOW STATEMENT (CONTINUED)

	Notes	2021 R'000	2020 Restated* R'000
Cash flows from financing activities			
Finance lease payments		(40,955)	(61,511)
Finance costs		(7,762)	(15,331)
Net cash flows from financing activities		**(48,717)**	**(76,842)**
Net increase/(decrease) in cash and cash equivalents		**(310,110)**	**699,914**
Cash and cash equivalents at the beginning of the year		2,542,600	1,842,686
Cash and cash equivalents at the end of the year	**5**	**2,232,490**	**2,542,600**

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Accrual Basis

	Approved budget '000	Adjustments '000	Final Budget '000	Actual amounts on comparable basis '000	Difference between final budget and actual '000	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Tourism, Retail, Concession and other	681,158	-	**681,158**	834,792	**153,634**	
Sales - fauna and flora	4,000	-	**4,000**	4,753	**753**	
Other operating income	22,287	-	**22,287**	55,563	**33,276**	
Interest received	40,964	-	**40,964**	49,075	**8,111**	
Total revenue from exchange transactions	**748,409**	**-**	**748,409**	**944,183**	**195,774**	
Revenue from non-exchange transactions						
Transfer revenue						
Government grants and other funding	1,348,555	(1,119)	**1,347,436**	1,515,235	**167,799**	
Donations	65,000	-	**65,000**	36,850	**(28,150)**	
Total revenue from non-exchange transactions	**1,413,555**	**(1,119)**	**1,412,436**	**1,552,085**	**139,649**	
Total revenue	**2,161,964**	**(1,119)**	**2,160,845**	**2,496,268**	**335,423**	

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (CONTINUED)

Budget on Accrual Basis

	Approved budget '000	Adjustments '000	Final Budget '000	Actual amounts on comparable basis '000	Difference between final budget and actual '000	Reference
Expenditure						
Employee related costs	(1,315,808)	-	**(1,315,808)**	(1,339,605)	(23,797)	
Depreciation and amortisation	(198,938)	-	**(198,938)**	(146,220)	52,718	
Finance Costs	(20,518)	-	**(20,518)**	(7,806)	12,712	
Operating lease payments	(42,470)	-	**(42,470)**	(40,389)	2,081	
Repairs and maintenance	(272,971)	-	**(272,971)**	(163,630)	109,341	
Operating expenses	(820,356)	-	**(820,356)**	(862,009)	(41,653)	
Total expenditure	**(2,671,061)**	**-**	**(2,671,061)**	**(2,559,659)**	111,402	
Operating deficit	**(509,097)**	**(1,119)**	**(510,216)**	**(63,391)**	445,706	
Loss on disposal of assets	**(4)**	**-**	**(4)**	(14,621)	(14,617)	
Surplus for the year before extraordinary items	**(509,101)**	**(1,119)**	**(510,220)**	**(78,012)**	432,208	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	**(509,101)**	**(1,119)**	**(510,220)**	**(78,012)**	432,208	

Reconciliation

Basis difference	
Deficit as per the statement of financial performance	(78,012)
Revenue from exchange transactions is more than budget as a result of revenue from tourism related activities doing better than expected as a result of an earlier opening of parks for operating. The concessions relief has also been taken into consideration	(195,774)
Revenue from non-exchange transactions variance is due to the following:	-
The positive variance is due to Infrastructure grant income that was not budgeted for.	(92,814)

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (CONTINUED)

Budget on Accrual Basis

	Approved budget '000	Adjustments '000	Final Budget '000	Actual amounts on comparable basis '000	Difference between final budget and actual '000	Reference
Infrastructure grant income is more than budget due to realisation of income as result of completed projects. Also included in the infrastructure grants, are grants relating to the EPWP projects.						
Special projects income is included in revenue from non- exchange transactions, but cannot be budgeted for accurately, as it falls outside SANParks normal operations, and the extent of special projects income is not always known in advance. For the year under review, special projects income was not budgeted for.				(74,985)		
Donations received are less than budgeted. Other donations received are accounted for as a liability under special projects due to the conditions placed on the donation.				28,150		
Employee related costs reflect an underspending.				23,797		
Depreciation and amortisation's underspending emanates from assets not yet realised, but were expected to have materialised by the end of the financial year.				(52,718)		
Finance costs reflect an underspending, due to entering into less finance leases than expected in the current financial year.				(12,712)		
Operating leases are well within budget and reflect a saving of 5%.				(2,081)		
Repairs and maintenance saving results from delayed implemenation				(109,341)		
Operating expenses were higher than budgeted				41,653		
Loss on disposal of assets not budgeted for				14,617		
Net surplus/(deficit) per approved budget				**(510,220)**		

ACCOUNTING POLICIES

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP),including any interpretations and directives issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act, (Act No 1 of 1999).

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

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

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

These accounting policies are consistent with the previous period, except for the changes set out in note first-time adoption of Standards of GRAP.

1.1 Presentation currency

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

1.2 Going concern assumption

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

1.3 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates.Estimates and underlying assumptions are reviewed on an ongoing basis. The effect of changes in estimates are accounted for on a prospective basis. Significant judgements include:

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 15. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the reporting date.

Post-retirement benefits

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

SANParks determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, SANParks considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 13.

Accounting for adjustments to revenue

Determining whether an adjustment to revenue charged in terms of legislation or similar means is a correction of an error or a change in an accounting estimate requires the application of judgement by management. When adjustments to revenue already recognised arise from new information that becomes known to the SANParks, the following considerations are applied to determine whether the adjustment to revenue already recognised is a correction of an error or a change in an accounting estimate:

(a) If information becomes known to SANParks, and SANParks could reasonably have been expected to know of the information and/or the information used was incorrect, the adjustment to revenue is likely to be a correction of an error.

ACCOUNTING POLICIES (CONTINUED)

1.3 Significant judgements and sources of estimation uncertainty (continued)

(b) If information becomes known to SANParks, but SANParks could not reasonably have been expected to know of this information when the revenue was charged, the adjustment to revenue is likely to be a change in an accounting estimate.

Definition of an asset not being met for living resources or a group of living resources

Key judgements made and assumptions applied to conclude that the definition of an asset is not met are disclosed in note 10.

Impairment of receivables

In determining whether an impairment loss should be recognised, judgement is made as to whether there were observable data indicating a measurable decrease in the estimated future cash flows from receivables. Where there is objective evidence of impairment loss, the present value of the future cash flows discounted at the original effective interest rate is determined and compared to the carrying value of receivables

Heritage assets

Management has used judgement in applying the initial recognition criteria of GRAP 103 to land obtained from non-exchange transactions and other heritage assets which originate from National Parks and derive their significance from their association with a National Park.

The heritage value of National Parks is derived from the NEMPA (National Environmental Management Protected Areas) Act which is primarily to protect these areas; prevent exploitation or occupation inconsistent with the protection of the ecological integrity of the these areas; provide spiritual, scientific, educational, recreational and tourism opportunities which are environmentally compatible and contribute to economic development, where feasible. This land is an inalienable item (withdrawal as a National Park and protected area in terms of the NEMPA Act is only by resolution of the National Assembly and/or the Minister depending on the circumstances), therefore none of National Parks have been disposed.

Also due to the size and magnitude of National Parks, SANParks and the Office of the Valuer General (under the Department of Rural Development and Land Reform) is not aware of any market to buy and sell National Parks or any other valuation method or technique that is available to measure National Parks. Therefore based on these judgements made, SANParks' land acquired from non-exchange transactions could not be recognised in the Annual Financial Statements.

Impairment of cash generating assets

Judgements made by management in applying the criteria to designate assets as cash-generating assets or non-cash generating assets, are as follows:

The designation of assets as cash and non-cash generating assets is based on how the assets are used, as required by the standards of impairment. For the majority of the assets held by SANParks, the objective of using these assets is for service delivery purposes, rather than for a commercial return.

The assessment of buildings used for rental accommodation (including tented and timber structures), restaurant buildings, shop buildings, buildings that are tented and timber structures is park and demand driven. In line with SANParks Responsible Tourism, there is rental accommodation that is used to generate cash flows, which are significantly higher than the cost of the asset. These are primarily park, demand and accommodation type depended.

Their use is to maximise commercialisation. Some accommodation will fall under accommodation used for service delivery purposes, as it is regarded as 'budget accommodation', which is meant to be accessible to all. This type of accommodation is not used to generate positive cash flows, which are significantly higher than the cost of the asset. The smaller camps merely breakeven therefore the restaurants and shops are being used for service delivery. SANParks assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, SANParks estimates the recoverable amount of the asset.

The recoverable amount of cash generating assets or a cash-generating unit is determined on the higher its fair value less costs to sell and its value in use. These calculations require the use of estimates and assumptions. When estimating the value in use of an asset, SANParks estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and SANParks applies an appropriate discount rate to those future cash flows.

Impairment of non-cash generating assets

SANParks assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, SANParks estimates the recoverable service amount of the asset. These calculations require the use of estimates and assumptions.

ACCOUNTING POLICIES (CONTINUED)

1.4 Inventories

SANParks inventories include consumables, retail goods, fuel and military inventory.

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

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

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

- distribution at no charge or for a nominal charge;or:

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

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

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

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

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

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

SANParks recognises the unused cutlery, crockery and linen as inventory in the statement of financial position, once items are brought into use they are then expensed in the statement of financial perfomance.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered.

The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.5 Financial instruments

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

A concessionary loan is a loan granted to or received by SANParks on terms that are not market related.

A financial asset is:

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

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

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

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

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

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

ACCOUNTING POLICIES (CONTINUED)

1.5 Financial instruments (continued)

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

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, SANParks shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses.

The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), SANParks shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

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

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

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

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

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

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

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

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

Classification

SANParks has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Cash and cash equivalents	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost
Receivables from non-exchange transations	Financial asset measured at amortised cost

SANParks has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class	Category
Trade and other payables from exchange transactions	Financial liability measured at amortised cost
Unspent conditional grants	Financial liability measured at amortised cost
Finance lease obligation	Financial liability measured at amortised cost
Reservation Deposits	Financial liability measured at amortised cost

Initial recognition

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

ACCOUNTING POLICIES (CONTINUED)

1.5 Financial instruments (continued)

Initial measurement of financial assets and financial liabilities

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

Subsequent measurement of financial assets and financial liabilities

SANParks measures all financial assets and financial liabilities after initial recognition using the following categories:
- Financial instruments at fair value.
- Financial instruments at amortised cost.
- Financial instruments at cost.

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

Gains and losses

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

Impairment and uncollectibility of financial assets

SANParks assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Derecognition

Financial assets

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

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

Financial liabilities

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

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as having extinguished the original financial liability and a new financial liability is recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it is accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

ACCOUNTING POLICIES (CONTINUED)

1.5 Financial instruments (continued)

Presentation

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

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

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

1.6 Property, plant and equipment

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

Recognition

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

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

Initial Measurement

Property, plant and equipment is initially measured at cost.

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

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

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

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

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

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

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Subsequent Measurement

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

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

ACCOUNTING POLICIES (CONTINUED)

1.6 Property, plant and equipment (continued)

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

Item	Depreciation method	Average useful life
Buildings	Straight-line	5 to 50 years
Aircraft	Straight-line	2 to 20 years as componentised
Furniture and office equipment	Straight-line	5 to 25 years
Vehicles,machinery and mechanical equipment	Straight-line	5 to 40 years

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

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

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

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

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

Derecognition

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

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised.

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

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

SANParks separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 6).

SANParks discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 6).

1.7 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. An asset is identifiable if it either:

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

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

Recognition

An intangible asset is recognised when:

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

ACCOUNTING POLICIES (CONTINUED)

1.7 Intangible assets (continued)

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Initial Measurement

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

Subsequent Measurement

After initial recognition, an intangible asset is measured as follows:

An intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is calculated on a straight line basis, and the useful life varies between 3 and 5 years and is reviewed annually. An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential.

Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Impairment of Intangible Asset

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

SANParks assesses at each reporting date whether there is any indication that the computer software may be impaired

Derecognition

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of an intangible assets is included in surplus or deficit when the asset is derecognised

1.8 Heritage assets

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

A class of heritage assets is a grouping of heritage assets of a similar nature or function in SANParks operations, that is shown as a single item for the purpose of disclosure in the financial statements.

SANParks'classes of Heritage Assets include:

- Conservation areas such as National Parks.
- Archeological sites
- Collections
- Geological sites
- Graves of cultural significance
- Historical buildings

ACCOUNTING POLICIES (CONTINUED)

1.8 Heritage assets (continued)

- Historical sites
- Landscapes and natural features of cultural significance
- Monuments
- Palaeontology sites
- Sacred sites (sites of spititrual or religious significance)

Characteristics often displayed by heritage assets include the following:

- Their value in cultural, environmental, educational and historical terms is unlikely to be fully reflected in monetary terms.
- Ethical, legal and/or statutory obligations may impose prohibitions or severe stipulations on disposal by sale.
- They are often irreplaceable.
- Their value may increase over time even if their physical condition deteriorates.
- They have an indefinite life and their value appreciates over time due to their cultural, environmental, educational, natural scientific, technological, artistic or historical significance.
- They are protected, kept unencumbered, cared for and preserved.

Recognition

A heritage asset shall be recognised as an asset if, and only if:

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

SANParks will assess the degree of certainty attached to the flow of future service potential or economic benefits:

- If the entity holds an asset that might be regarded as a heritage asset but which, on initial recognition, does not meet the recognition criteria of heritage assets because of the need to analyse the proposed collection items to determine if they conform to the set collection criteria through evaluation and research.
- For recognition of heritage assets, the asset needs to be controlled by SANParks as a result of past events. Such events may include: Purchase, donation, bequeath, loan or transfer.
- Particularly for archaeology, material is often retrieved in a fragmentary state – finding a completely articulated specimen is the exception rather than the rule. A great deal of knowledge is thus required to identify and systematise the collections. The research required to identify, analyse and classify heritage items is often a collaborative effort between local and international experts that span several months, even years. These items cannot be recognised in the financial statements, but will be recorded and controlled in the register. Relevant and useful information about them shall be disclosed in the notes to the financial statements.

SANParks does not recognise heritage assets which on initial recognition, do not meet the recognition criteria of a heritage asset because they cannot be reliably measured. Relevant and useful information about them has been disclosed in the notes to the financial statements.These items are controlled in the heritage asset register.

Initial Measurement

A heritage asset that qualifies for recognition as an asset shall be measured at its cost, and where it is acquired through a non- exchange transaction, at its fair value as at the date of acquisition.

For collections, values have been assigned to the heritage assets, which are considered to be appreciating in value, and which values are to be reviewed from time to time. Wherever possible, the appraisers have adopted the discipline of 'Open Market' principles in determining value, however values derived are largely determined by the skill and experience applied by the appraiser at the date of valuation.

Subsequent measurement

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

Impairment

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

ACCOUNTING POLICIES (CONTINUED)

1.8 Heritage assets (continued)

Transfers

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

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset. The transfer will be made at the carrying value of the heritage asset.

Derecognition

SANParks derecognises heritage assets on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised

Recognition and derecognition of land

Assessment of control of land

Control of land is assessed by the following criteria:

- legal ownership, and/or
- the right to direct access to land, and to restrict or deny the access of others to land.

Legal ownership

Legal ownership refers to the owner being the registered title deed holder of the land. Legal ownership also arises where the land is transferred from the legal owner to another entity or party, through legislation or similar means.

The right to direct access to land, and to restrict or deny the access of others to land

Where an entity has the right to direct access to, and restrict or deny the access of others to land while another is the legal owner of land, substance over form determines that the land is controlled by the entity that has the right to direct access to land, and to restrict or deny the access of others to land.

All state land that is declared National Parks as per the National Environmental Management: Protected Areas (NEMPA) Act (2003), the ownership of such parks resides with the Department of Public Works (DPW). SANParks is assigned the Management Authority for the land (once declared as a National Park) in terms of section 38 of the NEMPA.

SANParks as the management authority for National Parks is declared to protect these areas; prevent exploitation or occupation inconsistent with the protection of the ecological integrity of the these areas; provide spiritual, scientific, educational, recreational and tourism opportunities which are environmentally compatible and contribute to economic development, where feasible. Once the National Park is declared and the management is assigned to SANParks, any withdrawal of National Park status is done in accordance to section 21 of the NEMPA by resolution of the National Assembly. Therefore SANParks as the management authority has rights or access to the service potential of land declared as National Parks.

Where the criteria for assessment of control land is met, the land is recognised as an asset in accordance with the applicable Standard of GRAP. National Parks are classified as Heritage Assets and therefore SANParks applies principles of GRAP 103 for accounting for the land.

1.9 Impairment of cash-generating assets

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

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

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

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

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

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

ACCOUNTING POLICIES (CONTINUED)

1.9 Impairment of cash-generating assets (continued)

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

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

Useful life is either:

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

Designation

At initial recognition, SANParks designates an asset as non-cash-generating, or an asset or cash-generating unit as cash- generating. The designation is made on the basis of SANParks's objective of using the asset.

SANParks designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

Identification

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

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

Irrespective of whether there is any indication of impairment, SANParks also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

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

Basis for estimates of future cash flows

In measuring value in use SANParks:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

Composition of estimates of future cash flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

ACCOUNTING POLICIES (CONTINUED)

1.9 Impairment of cash-generating assets (continued)

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that SANParks expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

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

An impairment loss is recognised immediately in surplus or deficit.

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

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the SANParks recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Impairment loss

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, SANParks determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

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

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

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

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

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

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

Reversal of impairment loss

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

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

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

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

ACCOUNTING POLICIES (CONTINUED)

1.9 Impairment of cash-generating assets (continued)

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

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

Redesignation

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

1.10 Impairment of non-cash-generating assets

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

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

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

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

Useful life is either:

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

Designation

At initial recognition, SANParks designates an asset as non-cash-generating, or an asset or cash-generating unit as cash- generating. The designation is made on the basis of SANParks''s objective of using the asset.

SANParks designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

Identification

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

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

Irrespective of whether there is any indication of impairment, the entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Value in use

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

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential.

ACCOUNTING POLICIES (CONTINUED)

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

This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

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

Restoration cost approach

Restoration cost is the cost of restoring the service potential of an asset to its pre-impaired level. The present value of the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment. The latter cost is determined as the depreciated reproduction or replacement cost of the asset, whichever is lower.

Service units approach

The present value of the remaining service potential of the asset is determined by reducing the current cost of the remaining service potential of the asset before impairment, to conform to the reduced number of service units expected from the asset in its impaired state. The current cost of replacing the remaining service potential of the asset before impairment is determined as the depreciated reproduction or replacement cost of the asset before impairment, whichever is lower.

Recognition and measurement

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

An impairment loss is recognised immediately in surplus or deficit.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, SANParks recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

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

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

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

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Redesignation

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

1.11 Leases

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

ACCOUNTING POLICIES (CONTINUED)

1.11 Leases (continued)

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

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments.

The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the entity's incremental borrowing rate.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases - lessee

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

1.12 Employee benefits

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

Short-term employee benefits

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

Short-term employee benefits include items such as:

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

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

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

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

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

Post-employment benefits

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

Post-employment benefit plans are formal or informal arrangements under which SANParks provides post-employment benefits for one or more employees.

ACCOUNTING POLICIES (CONTINUED)

1.12 Employee benefits (continued)

Post-employment benefits: Defined contribution plans

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

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

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, SANParks recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Post-employment benefits: Defined benefit plans

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

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

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases).

In measuring its defined benefit liability the entity recognises past service cost as an expense in the reporting period in which the plan is amended.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement

The amount determined as a defined benefit liability may be negative (an asset). SANParks measures the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit.

SANParks determines the present value of defined benefit obligations with sufficient regularity such that the amounts recognised in the annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

SANParks recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost;
- actuarial gains and losses;
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability).

SANParks uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

ACCOUNTING POLICIES (CONTINUED)

1.12 Employee benefits (continued)

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, SANParks shall attribute benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, SANParks shall attribute benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

SANParks recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, SANParks re-measures the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is [OR is not] presented as the net of the amount recognised for a reimbursement.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

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

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money.

The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

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

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

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

Termination benefits

SANParks recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

- terminate the employment of an employee or group of employees before the normal retirement date; or
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The entity is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes [as a minimum]:

- the location, function, and approximate number of employees whose services are to be terminated;
- the termination benefits for each job classification or function; and
- the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than 12 months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the benefit.

ACCOUNTING POLICIES (CONTINUED)

1.13 Provisions and contingencies

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

A provision is a liability of uncertain timing or amount. are Recognition
Provisions are recognised when:

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

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

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating surplus (deficit).

Contingent Assets

A contingent asset is a possible asset 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 wholly within the control of the entity.

Contingent Liabilities

- 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 wholly within the control of the entity; or
- a present obligation that arises from past events but is not recognised because:
- it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability

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

1.14 Service concession arrangements: Entity as grantor

Identification

Service concession arrangements arise from the service concession agreements that SANParks has with different Public Private Partnerships (PPP). These arrangements give the operator the right to build and operate an infrastructure asset within the National Park. The operator also has to pay SANParks a concession fee as agreed upon in the specific PPP agreement. These transactions give rise to assets (infrastructure and other movable assets), liabilities and revenues that are accounted for in the manner outlined below:

Recognition of asset and liability

The entity recognises an asset provided by the operator and an upgrade to an existing asset of the entity, as a service concession asset if the entity controls or regulates what services the operator must provide with the asset, to whom it must provide them, and at what price, and if the entity controls (through ownership, beneficial entitlement or otherwise) any significant residual interest in the asset at the end of the term of the arrangement. This applies to an asset used in a service concession arrangement for its entire economic life (a "whole-of-life" asset).

ACCOUNTING POLICIES (CONTINUED)

1.14 Service concession arrangements: Entity as grantor (continued)

If one, or both of the recognition criteria above are not met, the grantor considers the principles in the Interpretation of the Standards of GRAP on determining whether an arrangement contains a lease (IGRAP 3), Standard of GRAP on Leases (GRAP 13), Interpretation of the Standards of GRAP on service concession arrangements where the grantor controls a significant residual interest in an asset (IGRAP 17) to account for the service concession arrangement.

SANParks only controls the right to receive service concession assets at the end of each of the service concession arrangements. This right to receive assets is the residual interest in the concessionaire assets at the end of the service concession arrangements. SANParks is liable to compensate the concessionaire, a consideration equal to the residual value of the asset at the date of transfer.

In a service concession arrangement where the grantor controls a significant residual interest in a service concession asset at the end of the service concession arrangement through ownership, beneficial entitlement or otherwise, and the arrangement does not constitute a finance or an operating lease, the grantor recognises its right to receive the residual interest (i.e. a receivable) in the service concession asset at the commencement of the arrangement.

When the grantor recognises the right to receive a residual interest in the service concession asset, the grantor shall also recognise its performance obligation for granting the operator access to the service concession asset in accordance with the substance of the arrangement. The value of the performance obligation shall be the same as the receivable interest recognised at the commencement of the service concession arrangement.

The residual value, as per concessionaire contracts, is defined as the depreciated value of immovable concession assets, revalued for changes in the consumer price index (calculated from inception date to termination date). The depreciated value of immovable concession asset is calculated at a depreciation rate of 5%.

The performance obligation shall be reduced and revenue shall be recognised based on the substance of the arrangement.

Other revenues

The entity accounts for revenues from a service concession arrangement, other than those relating to the grant of a right to the operator model, in accordance with the Standard of GRAP on Revenue from exchange transactions.

1.15 Revenue from exchange transactions

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

SANParks derives revenue from exchange and non-exchange transactions. An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange. Examples of exchange transactions include:

The rendering of services - revenue from tourism, retail and concession fees

The sale of goods and services - the sales of fauna and flora

Interest - from investment income

Rendering of services

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

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

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

- Accommodation income is accrued on a daily basis.
- Conservation levies are recognised on a daily basis and other tourist related activities are recognised upon commencement of the activity.
- Wild Card sales are amortised over the validity period of the Wild Card.

ACCOUNTING POLICIES (CONTINUED)

1.15 Revenue from exchange transactions (continued)

Sale of goods

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

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

Sales are recognised upon delivery of the products and customer acceptance.

Interest received

Revenue arising from the use by others of SANParks assets yielding interest is recognised when:

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

Interest is recognised using the effective interest rate method on a time proportion basis.

Measurement of revenue from exchange transactions

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

At the time of initial recognition it is inappropriate to assume that the collectability of amounts owing, to SANParks, by individual recipients of goods or services will not occur, because SANParks has an obligation to collect all revenue.

Exchange transactions

The following is included in revenue from exchange transactions:

- Tourism, retail, concession and other.
- Concession income

Income from concessions granted to operators to build, operate and transfer lodges and from rental of facilities to operators is recognised as it accrues over the period of the agreement.

- Management fees

Management fees for managing special projects are recognised on a monthly basis, based on the services performed.

- Rent received

Rent received is accrued on a daily basis in accordance with the substance of the relevant agreements.

1.16 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by entity, which represents an increase in net assets, other than increases relating to contributions from owners

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when SANParks can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

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

ACCOUNTING POLICIES (CONTINUED)

1.16 Revenue from non - exchange transactions (continued)

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting SANParks.

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

Recognition

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

As entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

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

The following are the major classes of revenue from non-exchange transactions, the basis on which the fair value of inflowing resources has been measured:

Operational grants received: Revenue from operational grants received shall be measured at the amount of the increase in net assets which in this case will be the net proceeds received from DFFE;

Land infrastructure grant: Revenue from Land Infrastructure Grant shall be measured at the amount of the increase in net assets which in this case will be the net proceeds received from the DFFE. If conditions are attached to the grant a liability will be recognised and shall be the best estimate of the amount required to settle the present obligation at the reporting date. When a liability is subsequently reduced because a condition is satisfied the amount of the reduction in the liability will be recognised as revenue;

Donations received: Revenue from donations received shall be measured at the amount of the increase in net assets which in this case will be the net proceeds received from the various donors; and

Special projects grant: Revenue from special projects grant shall be measured at the amount of the increase in net assets which in this case will be the net proceeds received from the DFFE and other funders. If conditions are attached to the grant a liability will be recognised and shall be the best estimate of the amount required to settle the present obligation at the reporting date. When a liability is subsequently reduced because a condition is satisfied the amount of the reduction in the liability will be recognised as revenue.

Assets arising from non-exchange transactions

Recognition

An inflow of resources arising from non-exchange transactions, other than services in kind, that meet the definition of an asset shall be recognised as an asset when and only when:

- it is probable that future economic benefits or service potential associated with the asset will flow to the entity; and
- the fair value of the asset can be reliably measured. SANParks recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria is met.

Measurement

An asset acquired through a non-exchange transaction shall initially be measured at its fair value as at the date of acquisition.

Subsequent measurement

An asset acquired through a non-exchange transactions shall subsequently be measured in terms of the respective standard that the asset relates to.

Liabilities arising from non-exchange transactions

Recognition

A present obligation arising from a non-exchange transaction that meets the definition of a liability shall be recognised as a liability when, and only when:

- it is probable that an outflow of resources embodying future economic benefits or service potential will be required to settle the obligation; and

ACCOUNTING POLICIES (CONTINUED)

1.16 Revenue from non - exchange transactions (continued)

- a reliable estimate can be made of the amount of the obligation.

Measurement

The amount recognised as a liability shall be the best estimate of the amount required to settle the present obligation at the reporting date.

Subsequent Measurement

The liabilities arising from a non-exchange transaction are subsequently measured in terms of the respective standard that the liability relates to.

1.17 Accounting by principals and agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When SANParks is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether SANParks is a principal or an agent requires the entity to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

SANParks assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Assessing which entity benefits from the transactions with third parties

When the entity is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

Management assesses whether the SANParks is party to any principle-agent arrangements. Should SANParks be party to such an arrangement, management will assess whether it is a principal or an agent in the arrangement, in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement. The assessment of whether SANParks is a principal or an agent is based on the following criterion.

- It does not have the power to determine the significant terms and conditions of the transaction;
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit
- It is not exposed to variability in the results of the transaction.

An entity is an agent when, in relation to transactions with third parties, all three of the above criteria are met.

If the above criteria is not met, then the entity is considered to be a principal in the arrangement.

Recognition

SANParks, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal- agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

SANParks, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

SANParks recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

ACCOUNTING POLICIES (CONTINUED)

1.18 Statutory receivables Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

SANParks recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Initial measurement

SANParks initially measures statutory receivables at their transaction amount.

Subsequent measurement

SANParks measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Impairment losses

SANParks assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the entity considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or other financial re-organisation.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the SANParks measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

In estimating the future cash flows, an SANParks considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk-free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

ACCOUNTING POLICIES (CONTINUED)

1.18 Statutory receivables (continued)

Derecognition

SANParks derecognises a statutory receivable, or a part thereof, when:

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

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.19 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity

The commitments disclosed in the disclosure note are the aggregate amount of capital and current expenditure approved and contracted for at the reporting date, to the extent that the amount has not been recorded in the financial statements.

1.20 Fruitless and wasteful expenditure

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

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines (as applicable).

1.21 Irregular expenditure

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

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

Irregular expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines (as applicable)

1.22 Segment information

A segment is an activity of an entity:

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

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

ACCOUNTING POLICIES (CONTINUED)

1.22 Segment information (continued)

Measurement

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

1.23 Related parties

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

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

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

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

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

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

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

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

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

1.24 Events after reporting date

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

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

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

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

1.25 Living and non-living resources

Living resources are those resources that undergo biological transformation.

Non-living resources are those resources, other than living resources, that occur naturally and have not been extracted. Agricultural activity is the management by an entity of the biological transformation and harvest of biological assets for:

(a) sale;

(b) distribution at no charge or for a nominal charge; or

(c) conversion into agriculture produce or into additional biological assets for sale or distribution at no charge or for a nominal charge.

ACCOUNTING POLICIES (CONTINUED)

1.25 Living and non-living resources (continued)

A bearer plant is a living plant that:

(a) is used in the production or supply of agricultural produce;

(b) is expected to bear produce for more than one period; and

(c) has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales.

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

Group of resources means a grouping of living or non-living resources of a similar nature or function in an entity's operations that is shown as a single item for the purpose of disclosure in the annual financial statements.

Recognition

Non-living resources, other than land, are not recognised as assets. Required information are disclosed in the notes to the annual financial statements.

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

Where SANParks is required in terms of legislation or similar means to manage a living resource, but it does not meet the definition of an asset because control of the resource cannot be demonstrated, relevant information are disclosed in the notes to the annual financial statements.

Where SANParks holds a living resource that meets the definition of an asset, but which does not meet the recognition criteria, relevant information are disclosed in the notes to the annual financial statements.

Measurement at recognition

A living resource that qualifies for recognition as an asset is measured at its cost.

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

The cost of a living resource comprises its purchase price, including import duties and non-refundable purchase taxes, and any costs directly attributable to bringing the living resource to the location and condition necessary for it to be capable of operating in the manner intended by management.

1.26 New Standards and Interpretations

New standards and interpretations effective and adopted in the current year

SANParks has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

<u>GRAP 110: Living and Non-Living Resources</u>

The adoption of GRAP 110 has led to changes in SANParks accounting policy on the disclosure non living resources.SANParks has applied GRAP 110 in conjunction with assessments of materiality in the accounting treatment of living resources.

<u>IGRAP 20: Accounting for adjustment to revenue</u>

SANParks has adopted the accounting policies of IGRAP 20 to the adjustment of revenue that arises from contractual arrangements.

Standards and interpretations issued, but not yet effective

SANParks has not applied the following standard of GRAP for which amendments to the Standard have been approved but effective date of the amendments is not yet set by the Minister of Finance.

<u>GRAP 104: Financial Instruments</u>

The effective date of the amendment is not yet set by the Minister of Finance. SANParks expects to adopt the amendment for the first time when the Minister sets the effective date for the amendment.

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

<u>GRAP 25 Employee Benefits</u>

The effective date of the amendment is not yet set by the Minister of Finance. SANParks expects to adopt the amendment for the first time when the Minister sets the effective date for the amendment.

ACCOUNTING POLICIES (CONTINUED)

1.26 New Standards and Interpretations (continued)

The adoption of this standard is not expected to impact on the results of SANParks,but may result a different presentation and disclosure of the defined benefit obligation than is currently provided in the annual financial statements.

GRAP 7 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The effective date of the amendment is not yet set by the Minister of Finance. SANParks does not expect to adopt the amendments as SANParks' defined benefit plan is unfunded.

1.27 Budget Information

The approved budget is prepared on an accrual basis and classified according to nature of items.The approved budget covers the financial period from 1 April 2020 to 31 March 2021.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021

2. INVENTORIES

	2021 R'000	2020 R'000
Consumables	10,162	12,361
Retail goods and fuel	37,695	36,850
Military inventory	2,095	2,630
	49,952	**51,841**

3. RECEIVABLES FROM EXCHANGE TRANSACTIONS

	2021 R'000	2020 R'000
Trade debtors	58,882	29,762
Prepayments	30,250	11,312
Concession assets	287,580	291,183
Debtors control - other	7,843	11,107
Provision for doubtful debts	(6,963)	(6,834)
	377,592	**336,530**
Non-current assets	287,580	291,183
Current assets	90,012	45,347
	377,592	**336,530**

Trade and other receivables past due but not impaired

The ageing of amounts past due but not impaired is as follows:

	2021 R'000	2020 R'000
1 month past due	7,697	6,255
2 months past due	5,721	767
3 months past due	36,044	11,512

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

3. RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONTINUED)

Trade and other receivables impaired

As of 31 March 2021, trade and other receivables of R6,963 (2020: R6,834) were impaired and provided for.

The amount of the provision was R6,863 as of 31 March 2021 (2020: R6,834).

The ageing of these trade and other receivables is as follows:

	2021 R'000	2020 R'000
Over 6 months	6,963	6,834
Trade receivables age analysis		
Current (0 - 30 days)	9,420	11,228
31 to 60 days	7,697	6,255
61 to 90 days	5,721	767
91 to 120 days	3,333	285
Over 120 days	32,711	11,227
	58,882	29,762

Concession assets represent SANParks' right to receive service concession assets at the end of each of the service concession arrangements. This right to receive assets is the residual interest (i.e. receivable) in the concessionaire assets which is an exchange transaction. The value of the exchange receivable is equal to the provision in note 15 which is the residual value of the asset at the date of transfer

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

4. RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

	2021 R'000	2020 R'000
Government grants and subsidies	-	10,141
Nature Conservation Trust Funds Receivable	90,124	90,124
Provision for impairment	(90,124)	(90,124)
	-	-
Financial asset receivables included in receivables from non-exchange transactions above	**-**	**10,141**
Total receivables from non-exchange transactions	-	10,141

Receivables from non-exchange transactions impaired

As of 31 March 2021, other receivables from non-exchange transactions of R90,124 (2020: R90,124) were impaired and Provided for.

The amount of the provision was R90,124 as of 31 March 2021 (2020: R90,124).

The ageing of these receivables is as follows:

	2021 R'000	2020 R'000
Over 6 months	90,124	90,124

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

	2021 R'000	2020 R'000
Cash on hand	283	299
Bank balances	1,667,956	2,151,448
Short term investments	564,251	390,853
	2,232,490	**2,542,600**

Short term investments

	2021 R'000	2020 R'000
Notice account : First National Bank	266,968	106,857
Notice Account : Investec Bank	-	142,763
Notice Account : ABSA Bank	281,110	125,594
Notice Account : Standard Bank	16,173	15,639
	564,251	390,853

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

6. PROPERTY, PLANT AND EQUIPMENT

	2021			2020		
	Cost / Valuation R'000	Accumulated depreciation and accumulated impairment R'000	Carrying value R'000	Cost / Valuation R'000	Accumulated depreciation and accumulated impairment R'000	Carrying value R'000
Buildings and infrastructure	2,295,911	(527,355)	1,768,556	2,213,497	(473,801)	1,739,696
Vehicles and mechanical equipment	550,059	(339,908)	210,151	537,100	(301,548)	235,552
Furniture and office equipment	253,164	(176,283)	76,881	262,483	(176,925)	85,558
Aircraft	106,754	(74,810)	31,944	106,754	(66,122)	40,632
Total	**3,205,888**	**(1,118,356)**	**2,087,532**	**3,119,834**	**(1,018,396)**	**2,101,438**

Reconciliation of property, plant and equipment - 2021

	Opening balance R'000	Additions R'000	Disposals R'000	Depreciation R'000	Total R'000
Buildings and infrastructure	1,739,696	91,204	(6,591)	(55,753)	1,768,556
Vehicles and mechanical equipment	235,553	34,884	(5,404)	(54,882)	210,151
Furniture and office equipment	85,558	14,976	(2,717)	(20,936)	76,881
Aircraft	40,632	-	-	(8,688)	31,944
	2,101,439	**141,064**	**(14,712)**	**(140,259)**	**2,087,532**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

	2021 R'000	2020 R'000

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Reconciliation of property, plant and equipment - 2020

	Opening balance R'000	Additions R'000	Disposals R'000	Depreciation R'000	Total R'000
Buildings and infrastructure	1,773,155	24,865	(2,130)	(56,194)	1,739,696
Vehicles and mechanical equipment	270,023	38,572	(2,420)	(70,623)	235,552
Furniture and office equipment	89,145	25,449	(1,473)	(27,563)	85,558
Aircraft	49,325	-	-	(8,693)	40,632
	2,181,648	**88,886**	**(6,023)**	**(163,073)**	**2,101,438**

	2021 R'000	2020 R'000
Pledged as security		
No property plant and equipment are pledged under security		
Assets subject to finance lease (Net carrying amount)		
Motor vehicles	127,674	154,817
Furniture and office equipment	402	782
	128,076	**155,599**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	2021 R'000	2020 R'000
Property, plant and equipment in the process of being constructed or developed		
Cumulative expenditure recognised in the carrying value of property, plant and equipment		
Buildings and Infrastructure	178,804	154,796
Furniture and office equipment	1,356	1,136
Vehicles and mechanical equipment	1,140	-
	181,300	**155,932**
Carrying value of property, plant and equipment where construction or development has been halted either during the current or previous reporting period(s)		
Infrastructure Projects	178,804	-
Infrastructure projects experienced delays over the past financial year due COVID-19 level 5 and level 4 lockdown restrictions. The lockdown restrictions resulted in delays of 3-4 months for contractors to return to projects sites. No impairment loss has been recognised in relation to these assets.		
	178,804	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

7. INTANGIBLE ASSETS

	2021			2020		
	Cost / Valuation R'000	Accumulated depreciation and accumulated impairment R'000	Carrying value R'000	Cost / Valuation R'000	Accumulated depreciation and accumulated impairment R'000	Carrying value R'000
Patents, trademarks and other rights	2,736	-	2,736	2,736	-	2,736
Computer software	53,816	(46,700)	7,116	74,516	(58,001)	16,515
Total	**56,552**	**(46,700)**	**9,852**	**77,252**	**(58,001)**	**19,251**

Reconciliation of intangible assets - 2021

	Opening balance R'000	Additions R'000	Disposals R'000	Depreciation R'000	Total R'000
Patents, trademarks and other rights	2,736	-	-	-	2,736
Computer software	16,515	1,070	(4,508)	(5,961)	7,116
	19,251	**1,070**	**(4,508)**	**(5,961)**	**9,852**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

	2021 R'000	2020 R'000

7. INTANGIBLE ASSETS (CONTINUED)

Reconciliation of intangible assets - 2020

	Opening balance R'000	Additions R'000	Disposals R'000	Depreciation R'000	Total R'000
Patents, trademarks and other rights	2,736	-	-	-	2,736
Computer software, other	21,539	3,285	(21)	(8,288)	16,515
	24,275	3,285	(21)	(8,288)	19,251

	2021 R'000	2020 R'000
Intangible assets in the process of being constructed or developed		
Cumulative expenditure recognised in the carrying value of Intangible assets		
Computer software, internally generated	-	4,494

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

8. HERITAGE ASSETS

	2021			2020		
	Cost / Valuation R'000	Accumulated depreciation and accumulated impairment R'000	Carrying value R'000	Cost / Valuation R'000	Accumulated depreciation and accumulated impairment R'000	Carrying value R'000
Collections	19,854	-	19,854	19,854	-	19,854
Monuments	174,536	-	174,536	174,536	-	174,536
Conservation areas	567,164	-	567,164	560,369	-	560,369
Total	**761,554**	**-**	**761,554**	**754,759**	**-**	**754,759**

Reconciliation of heritage assets 2021

	Opening balance R'000	Additions R'000	Disposals R'000	Total R'000
Collections	19,854	-	-	19,854
Monuments	174,536	-	-	174,536
Conservation areas	560,369	6,936	(141)	567,164
	754,759	**6,936**	**(141)**	**761,554**

Reconciliation of heritage assets 2020

	Opening balance R'000	Total R'000
Collections	19,854	19,854
Monuments	174,536	174,536
Conservation areas	560,369	560,369
	754,759	754,759

8. HERITAGE ASSETS (CONTINUED)

Heritage assets whose fair values cannot be reliably measured

Land and Other Heritage Assets

A significant number and value of SANParks Heritage assets were obtained through non exchange transactions from various state-owned organisations and these include

- Land
- Archaelogical site
- Collections
- Geological sites
- Graves of cultural significance
- Historical buildings
- Historical sites
- Landscapes and natural features of cultural significance
- Monuments
- Palaentology sites
- Sacred sites (sites of spiritual or religious significance)

For land obtained from non-exchange transactions, SANParks attempted to establish the value thereof using guidance from GRAP 103 and Directive 7 issued by the Accounting Standards Board. The heritage value (i.e. which is the service potential of the land) of the National Parks is derived from the NEMPA (National Environmental Management Protected Areas) Act which is primarily to protect these areas; prevent exploitation or occupation inconsistent with the protection of the ecological integrity of the these areas; provide spiritual, scientific, educational, recreational and tourism opportunities which are environmentally compatible and contribute to economic development, where feasible.

Due to the size and magnitude of National Parks, SANParks and the Office of the Valuer General (under the Department of Rural Development and Land Reform) is not aware of any market to buy and sell National Parks or any other valuation method or technique that is available to measure National Parks. For those reasons SANParks' land acquired from non-exchange transactions could not be recognised in the Annual Financial Statements

As this land is an inalienable item (withdrawal as a National Park and protected area in terms of the NEMPA Act is only by resolution of the National Assembly and/or the Minister depending on the circumstances), none of National Parks have been disposed of however information pertaining to such land has been disclosed below.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

8. HERITAGE ASSETS (CONTINUED)

Heritage assets per park	Size in Hectares
Kruger National Park	1,962,362
Augrabies Falls National Park	58,699
Kalahari Gemsbok National Park	960,029
Mokala National Park	29,414
Namaqua National Park	130,641
Richtersveld National Park	162,445
Agulhas National Park	20,415
Bontebok National Park	2,432
Table Mountain National Park	33,243
Tankwa Karoo National Park	138,570
West Coast National Park	47,026
Addo Elephant National Park	172,578
Camdeboo National Park	18,946
Karoo National Park	84,082
Mountain Zebra National Park	27,900
Golden Gate Highlands National Park	34,062
Mapungubwe National Park	15,311
Marakele National Park	60,865
Groenkloof National Park	7
Graspan/Vaalbos National Park	4,575
Garden Route National Park	137,896

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

8. HERITAGE ASSETS (CONTINUED)

In addition SANParks has acquired other heritage assets which originate from National Parks, derive their significance from their association of National Parks and have the potential to yield information that enhances the cultural significance of National Parks when considering tourism experience and marketing. These are managed within the National Heritage Resources Act (NHRA). Due to the uniqueness of the heritage assets, mandate and nature of SANParks and in addition the limitations of the NHRA, neither the fair value, deemed cost or replacement cost could be determined for these heritage asset. For that reason SANParks could not recognise them in the Annual Financial Statements. None of these heritage assets have been disposed. However see below information pertaining to such heritage assets below:

Other heritage assets per park	Description
Kruger National Park	Archaeological sites, Collections, Geological sites, Graves of cultural significance, Historical buildings, Historical sites, Landscapes and natural features of cultural significance, Monuments, Palaeontology sites, Sacred sites (sites of spiritual or religious significance).
Augrabies Falls National Park	Archaeological sites, Historical sites, Landscapes and natural features of cultural significance.
Kalahari Gemsbok National Park	Archaeological sites.
Mokala National Park	Archaeological sites, Collections, Graves of cultural significance, Historical buildings, Historical site.
Namaqua National Park	Archaeological sites, Geological sites, Historical building, Historical sites.
Richtersveld National Park	Graves of cultural significance, Historical sites.
Agulhas National Park	Historical buildings, Historical sites.
Bontebok National Park	Historical sites.
Table Mountain National Park	Archaeological sites, Collections, Geological sites, Historical sites, Historical buildings, Historical sites, Monuments.
Tankwa Karoo National Park	Archaeological sites, Historical buildings, Historical sites.
West Coast National Park	Graves of cultural significance, Historical buildings, Palaeontology sites.
Addo Elephant National Park	Archaeological site, Collections, Geological sites, Graves of cultural significances, Historical building, Historical site, Landscapes and natural features of cultural significance, Monuments, Sacred sites (sites of spiritual or religious significance).
Camdeboo National Park	Archaeological site, Geological site, Historical buildings, Historical site, Monument, Sacred sites (sites of spiritual or religious significance).
Garden Route National Park: Knysna; Tsitsikamma; Wilderness	Archaeological sites, Collections, Graves of cultural significance, Historical buildings, Historical sites, Landscapes and natural features of cultural significance. Archaeological sites, Graves of cultural significance, Historical buildings, Historical sites, Landscapes and natural features of cultural significance. Archaeological sites, Historical buildings, Monuments.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

8. HERITAGE ASSETS (CONTINUED)

Other heritage assets per park	Description
Karoo National Park	Archaeological sites.
Mountain Zebra National Park	Archaeological sites, Graves of cultural significance, Historical sites.
Golden Gate Highlands National Park	Archaeological site, Geological site, Graves of cultural significance, Historical Buildings, Historical site, Palaeontology site.
Mapungubwe National Park	Archaeological sites, Collections, Historical sites.
Marakele National Park	Archaeological sites, Graves of cultural significance, Historical buildings.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

9. NON-LIVING RESOURCES

Entity as custodian

SANParks exists in terms of the National Environmental Management: Protected Areas Act (NEM:PAA), 57 of 2003, with the mandate to conserve, protect, control and manage national parks and other defined protected areas and their biological diversity (biodiversity).

SANParks executes its mandate in accordance with a management plan as required by section 41 of the NEM: PAA which aims to ensure the protection, conservation and management of the national parks in a manner which is consistent with the objectives of the Act and for the purposes listed in section 17 of the Act. Section 17 of the NEM: PAA provides a list of purposes for the declaration of areas as protected areas, which includes the protection of biological diversity (Section 17(a) (c)), the preservation of ecological integrity (Section 17(b)), and the sustainable use of natural and biological resources (17(h)).

Nature and types of non-living resources for which the entity is responsible

Water

Within national parks, water is found in its natural state in the form of boreholes.SANParks is permitted through the National Water Act, 1998 (Act No 36 of 1998) to abstract water from rivers flowing through national parks for use within park operations.

Land

SANParks is assigned as the Management Authority of state land that is declared a national park in terms of the NEM: PAA.

10. LIVING RESOURCES

Entity as custodian

SANParks exists in terms of the National Environmental Management: Protected Areas Act (NEM:PAA), 57 of 2003, with the mandate to conserve, protect, control and manage National Parks and other defined protected areas and their biological diversity (biodiversity).

SANParks executes its mandate in accordance with a management plan as required by section 41 of the NEM: PAA which aims to ensure the protection, conservation and management of the National Parks in a manner which is consistent with the objectives of the Act and for the purposes listed in section 17 of the Act. Section 17 of the NEM: PAA provides a list of purposes for the declaration of areas as protected areas, which includes the protection of biological diversity (Section 17(a) (c)), the preservation of ecological integrity (Section 17(b)), and the sustainable use of natural and biological resources (17(h)).

Restrictions on use or capacity to sell

The following information relates to living resources which is subject to restrictions on use or capacity to sell:

Animals in the Kruger National Park

The Kruger National Park falls within the region identified as a high risk area for the disease TB. As a result there is a restriction placed which prevents the trading and donation of animals within this region.

10. LIVING RESOURCES (CONTINUED)

Living resources not recognised

SANParks did not recognise the following living resources, due to the definition of an asset not being met:

Flora and Fauna

The nature and type are as follows:

<u>Fauna</u>

The following types of fauna is found in National Parks:

- Mammals
- Reptiles
- Birds
- Fish
- Invertebrates
- Scorpions
- Spiders
- Butterflies
- Insects

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

10. LIVING RESOURCES (CONTINUED)

Flora

The following types of fauna is found in National Parks:

- Terrestrial Vegetation
- Aquatic Vegetation
- Semi aquatic Vegetation

Key judgements and assumptions applied

In terms of the NEM:PAA SANParks' mandate is to conserve, protect manage National Parks and other defined protected areas and their biological diversity (biodiversity). SANParks acts as custodian to conserve the resources entrusted to it and thus to manage and conserve the environment as a whole. Therefore SANParks does not manage the physical condition of each individual animal or plant within a National Park.

Animals in National Parks are left to roam freely and the plants are left in their natural environment or habitat. SANParks only restricts the movement of wild animals by fencing off National Parks generally for disease control purposes and limit the exposure of neighbouring landowners and communities to the risks associated with keeping wild animals in a National Park. In the bigger parks, fences are very permeable as there are rivers and drainage lines going through the parks and therefore making it impossible to fence certain sections of the park. Therefore animals are able to move in and out through unfenced areas. Furthermore though National Parks have fences, animal migration occurs frequently and animals do from time to time jump over, or burrow under fences. Access control is therefore not high and as such SANParks does not have control of the individual animals and plants within the parks.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

10. LIVING RESOURCES (CONTINUED)

SANParks is allowed in terms of the NEM: PAA to make use of the resources under its custodianship subject to the conditions that the ecological integrity of the ecological systems of the park is not significantly disrupted and that the survival of any species is not negatively affected. Although legally SANParks is allowed by the NEM: PAA to sell animals, in reality this is applicable to those animals where there is a market for buyers of such animals and also where the costs of disposal are much lower than the market value of the animals. SANParks' ability to sell animals is also dependent on the ability to count them and given the wide variety of the type of animals found in National Parks, counting animals is only considered for larger animals. The counts performed by SANParks are not on an annual basis, on certain species SANParks can get an indication of the population every 5 years. Various methods are used to determine estimates of animal abundances in National Parks. These methods include: registration studies, block counts, total counts, fixed width sample transects, spoor indexing, photographic mark-recapture, call-up surveys or even guestimate usually from ranger experience. SANParks' main objective for counting animals is about the trend in animal populations and not necessarily to keep record of exact quantities of animals at any point in time. SANParks cannot guarantee the accuracy and precision of the counting process due to the various methods used and biases involved in the counting process. Furthermore a count of animals is done on a specific day and given the fact that animals roam freely within a park and SANParks cannot restrict their movement, the numbers counted on a specific day will certainly change within day or week especially in the bigger parks. SANParks ability to move or sell animals is based ultimately on ecological needs within parks due to too many animals under certain environmental conditions

In respect of animals sold and thus in terms of paragraph 20 of GRAP 110, SANParks has control, where the the presumption on acquisition date is that the acquisition date is the date that animals meet the definition of an asset, SANParks is not able to determine a reliable fair value of the animals. This is due to the variability in prices of animals depending on where an animals is located, the same specie of animal will sell at different prices depending on an animal's location. Therefore due to the considerable varying ranges in prices, SANParks cannot determine a reliable fair value and thus the recognition criteria is not met. Furthermore due to the restriction placed on animals in the Kruger National Park, SANParks cannot determine a fair value of animals in the Kruger National Park.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

11. FINANCE LEASE OBLIGATION

	2021 R'000	2020 R'000
Minimum lease payments due		
- within one year	54,426	60,679
- in second to fifth year inclusive	54,469	96,990
	108,895	157,669
less: future finance charges	(6,934)	(15,309)
Present value of minimum lease payments	**101,961**	**142,360**
Present value of minimum lease payments due		
- within one year	49,683	52,327
- in second to fifth year inclusive	52,278	90,037
	101,961	**142,364**
Non-current liabilities	52,278	90,037
Current liabilities	49,683	52,327
	101,961	**142,364**

It is SANParks policy to lease certain motor vehicles and equipment under finance leases.

The average lease term was 3-5 years and the average effective borrowing rate was 6% (2020: 9%).

Interest rates are linked to prime at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

12. PAYABLES FROM EXCHANGE TRANSACTIONS

	2021 R'000	2020 R'000
Trade payables	46,769	123,086
Payments received in advanced	94,181	136,885
VAT payable	551	36,567
Accrued expenses	63,194	52,272
Deposits received	1,062	1,252
Other payables	23,200	10,674
	228,957	**360,736**

Trade Payables Age Analysis

	2021 R'000	2020 R'000
Current (0-30 days)	46,127	107,625
31 - 60 days	476	(666)
61 - 90 days	(146)	(7,170)
91 - 120 days	88	8,453
120 days and more	4,045	14,844
	50,590	**123,086**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

13. EMPLOYEE BENEFIT OBLIGATION

Defined benefit plan

Post retirement medical aid plan

SANParks offers employees and continuation members the opportunity of belonging to one of several medical schemes. Eligible employees receive a post-employment subsidy of the contribution payable should they be a member of a medical scheme at retirement.

Upon a member's death-in-service, surviving dependants are entitled to commence receipt of the same post-employment subsidy.

The amounts recognised in the statement of financial position are as follows:

	2021 R'000	2020 R'000
Carrying value		
Present value of the defined benefit obligation-wholly unfunded	492,373	513,617
Interest cost	53,599	51,501
Current service cost	6,107	7,760
Actual employer benefit payment	(29,144)	(26,791)
Acturial (gain)/loss	25,624	(53,714)
	548,559	**492,373**

Changes in the present value of the defined benefit obligation are as follows:

	2021 R'000	2020 R'000
Opening balance	(28,959)	(7,715)
Benefits paid	(29,144)	(26,791)
Net expense recognised in the statement of financial performance	85,330	5,547
	27,227	**(28,959)**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

	2021 R'000	2020 R'000

13. EMPLOYEE BENEFIT OBLIGATION (CONTINUED)

Net expense recognised in the statement of financial performance

	2021 R'000	2020 R'000
Current service cost	6,107	7,760
Interest cost	53,599	51,501
Acturial (gain)/loss	25,624	(53,714)
	85,330	**5,547**

Key assumptions used

Assumptions used at the reporting date:

	2021	2020
Discount rates used	10.34 %	11.21 %
Medical cost trend rates	7.13 %	6.92 %

The basis on which the discount rate has been determined is as follow:

GRAP 25 stipulates that the choice of this rate should be derived from government bond yields consistent with the estimated term of the post-employment liabilities. However, where there is no deep market in government bonds with a sufficiently long maturity to match the estimated term of all the benefit payments, current market rates of the appropriate term should be used to discount shorter term payments, and the discount rate for longer maturities should be estimated by extrapolating current market rates along the yield curve.

Consequently, a discount rate of 10.34% per annum has been used. The corresponding index-linked yield at this term is 3.99%. These rates do not reflect any adjustment for taxation. These rates were deduced from the interest rate data obtained from the Johannesburg Stock Exchange after the market close on 31 March 2021.

Assumption	Value
Average retirement age	62

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

13. EMPLOYEE BENEFIT OBLIGATION (CONTINUED)

Continuation of membership at retirement	100% if subsidy is 100%. 90% if subsidy is 60%
Proportion of in-service non-members joining a scheme by retirement and continuing with the subsidy thereafter	100% if subsidy is 100%. 90% if subsidy is 60%
Proportion with a spouse dependant at retirement	50%

Sensitivity analysis

Assumed healthcare cost trends rates have a significant effect on the amounts recognised in surplus or deficit. A one percentage point change in assumed healthcare cost trends rates would have the following effects:

	One percentage point increase R'000	One percentage point decrease R'000
Effect on the aggregate of the service cost and interest cost	66,899	53,604
Effect on defined benefit obligation	612,235	493,723

Amounts for the current and previous four years are as follows

	2021 R'000	2020 R'000	2019 R'000	2018 R'000	2017 R'000
Defined benefit obligation	548,559	492,373	513,617	552,228	496,532

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

14. UNSPENT CONDITIONAL GRANTS AND RECEIPTS

	2021 R'000	2020 R'000
Unspent conditional grants comprises:		
Unspent conditional grants and receipts		
Infrastructure grant	346,816	490,043
Special projects and Expanded Public Works Programme	293,594	302,845
Land grant	98,670	84,193
	739,080	**877,081**
Movement during the year		
Infrastructure grant		
Department of Forestry, Fisheries and the Environment (DFFE)	299,840	445,429
National Department of Tourism (NDT)	46,976	44,614
	346,816	**490,043**
Infrastructure grant - Department of Forestry, Fisheries and the Environment (DFFE)		
Opening balance beginning of the year	445,429	318,049
Opening balance adjustment	(2,034)	-
Funds received during the year	-	174,545
Interest received during the year	9,524	15,835
Funds utilised during the year	(153,079)	(63,000)
	299,840	445,429

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

14. UNSPENT CONDITIONAL GRANTS AND RECEIPTS (CONTINUED)

	2021 R'000	2020 R'000
Infrastructure grant - National Department of Tourism (NDT)		
Opening balance beginning of the year	44,614	52,619
Opening balance adjustment	2,034	-
Interest received during the year	1,095	2,551
Funds utilised during the year	(767)	(10,556)
	46,976	**44,614**
Special projects and Expanded Public Works Programme (EPWP)		
Special projects	281,959	302,845
Expanded Public Works Programme (EPWP)	11,635	-
	293,594	**302,845**
Special projects		
Opening balance beginning of the year	302,845	239,455
Opening balance adjustment	27,882	(666)
Funds received during the year	20,123	200,969
Interest received during the year	6,094	9,708
Funds utilised during the year	(74,985)	(146,621)
	281,959	**302,845**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

14. UNSPENT CONDITIONAL GRANTS AND RECEIPTS (CONTINUED)

	2021 R'000	2020 R'000
Expanded Public Works Programme (EPWP)		
Opening balance beginning of the year	-	22,845
Opening balance adjustment	28,638	630
Funds received during the year	67,940	116,453
Interest received during the year	1,561	9,307
Funds utilised during the year	(86,504)	(149,235)
	11,635	**-**
Land grant		
Opening balance beginning of the year		
Funds received during the year	84,193	62,255
Interest received during the year	19,544	18,525
Funds utilised during the year	1,859	3,416
	(6,926)	(3)
	98,670	**84,193**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

15. PROVISIONS

Reconciliation of provisions - 2021

	Opening Balance R'000	Additions R'000	Utilised during the year R'000	Reversed during the year R'000	Total R'000
Concessionaires provision	291,183	-	-	(3,603)	287,580
Leave liability	27,901	48,375	(27,707)	-	48,569
	319,084	**48,375**	**(27,707)**	**(3,603)**	**336,149**

Reconciliation of provisions - 2020

	Opening balance R'000	Additions R'000	Utilised during the year R'000	Total R'000
Concessionaires provision	268,806	22,377	-	291,183
Leave liability	16,381	26,928	(15,408)	27,901
	285,187	**49,305**	**(15,408)**	**319,084**

	2021 R'000	2020 R'000
Non-current liabilities	287,580	291,183
Current liabilities	48,569	27,901
	336,149	**319,084**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

	2021 R'000	2020 R'000

15. PROVISIONS (CONTINUED)

The lodge concessions entail allowing private operators to build and operate tourism facilities within the National Parks, for contracted defined periods, usually over a 20 year concession contract. Investors take over and upgrade specified existing lodge facilities, or build new ones. The contractual mechanism is a concession contract, which enables the private operator to use a defined area of land, plus any building that may already exist on that land, over a specific time period in return for payment of concession fees. Against these rights of occupation and commercial use of facilities, there is a set of obligations on the part of the concessionaire regarding financial terms, environmental management, social objectives, empowerment and other factors. Infringement of these requirements carries specified penalties, underpinned by performance bonds, and finally termination of the contract. The assets will revert to SANParks at a consideration equal to the residual value of the asset at the date of transfer. The provision arose as a result of the liability payable at the termination date of the concessionaire contract. Refer to note 3 for the concession asset.

Annual leave accrues to employees every month. Provision is an estimate of the amount due to staff at the end of the financial year based on the value of accrued annual leave. The timing of settlement of this obligation is uncertain; however, it is SANParks policy that employees utilise accrued leave within four months after the financial year end. The balances in the provision include negative leave balances amounting to R8 591 (2020: R11 051), which SANParks recovers as the employees continue to render the service.

16. RESERVATION DEPOSITS

	2021 R'000	2020 R'000
Opening balance	375,276	375,832
Current year deposits	3,339,621	6,511,069
Deposits utilised during the year	(3,322,269)	(6,511,625)
	392,628	375,276

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

17. TOURISM, RETAIL, CONCESSION AND OTHER

	2021 R'000	2020 R'000
Retail activities		
Shops and restaurant	23,381	54,546
Filling station sales	115,107	208,983
	138,488	263,529
Tourism		
Accommodation	383,667	813,168
Drive fees	12,503	68,059
Trail fees	12,205	39,125
Other tourism related activities	26,960	57,353
	435,335	977,705
Concession fees		
Facilities rental	15,424	43,142
Concession fees received	22,856	98,026
	38,280	141,168
Conservation fees		
Wild card income	67,667	100,812
Conservation fees	82,125	676,367
Entrance fees	10,220	9,916
	160,012	787,095

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

17. TOURISM, RETAIL, CONCESSION AND OTHER (CONTINUED)

	2021 R'000	2020 R'000
Other		
Rent received	11,795	14,516
Services rendered	50,882	87,290
	62,677	101,806
	834,792	2,271,303

18. SALES - FAUNA AND FLORA

	2021 R'000	2020 R'000
Sales - fauna and flora	4,753	16,942

The sale of fauna and flora is used for biodiversity and to improve representative conservation estate.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

19. OTHER OPERATING INCOME

	2021 R'000	2020 R'000
Sales - non-retail	712	1,274
Fines	470	1,395
Course fees	327	2,276
Commission received	11,416	7,147
Water and electricity	13,565	14,674
Location fee for filming right	1,183	3,203
Other income	27,890	16,893
	55,563	**46,862**

20. INTEREST RECEIVED

	2021 R'000	2020 R'000
Interest revenue		
Interest	49,075	72,974

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

21. GOVERNMENT GRANTS AND OTHER FUNDING

	2021 R'000	2020 R'000
Operating grants		
Roads	14,350	13,603
Conservation	1,418,974	574,394
Land grant	6,926	-
Special projects income	74,985	125,211
	1,515,235	**713,208**

22. DONATIONS

	2021 R'000	2020 R'000
Donations	36,850	46,813

23. EMPLOYEE RELATED COSTS

	2021 R'000	2020 R'000
Salaries and wages	1,013,846	1,044,059
Social contributions	160,961	149,305
Other salary related costs	79,468	129,312
Post-retirement benefits	85,330	5,547
	1,339,605	**1,328,223**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

24. DEPRECIATION AND AMORTISATION

	2021 R'000	2020 R'000
Property, plant and equipment	140,259	163,073
Intangible assets	5,961	8,288
	146,220	**171,361**

25. FINANCE COSTS

	2021 R'000	2020 R'000
Finance leases	7,762	15,332
Current borrowings	44	33
	7,806	**15,365**

26. LEASE RENTALS ON OPERATING LEASE

	2021 R'000	2020 R'000
Motor vehicles		
Contractual amounts	22,865	21,584
Lease rentals on operating lease - Other		
Contractual amounts	17,524	17,796
	40,389	**39,380**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

	2021 R'000	2020 R'000

27. REPAIRS AND MAINTENANCE

	2021 R'000	2020 R'000
Property and buildings	132,945	131,280
Machinery and equipment	8,048	10,121
Office and computer equipment	361	841
Consumables utilised in maintance programs	21,284	22,602
Vehicles	992	-
	163,630	**164,844**

28. LOSS ON DISPOSAL OF ASSETS

	2021 R'000	2020 R'000
Loss on disposal of assets	14,621	3,717

29. OPERATING EXPENSES

	2021 R'000	2020 R'000
Assessment rates and municipal charges	63,147	70,524
Auditors remuneration (Note 29)	6,379	8,124
Bank charges	12,119	32,975
Consulting and professional fees	167,473	237,874
Consumables	43,547	61,154
Insurance	12,084	5,925
Information and communication technology expenses	57,895	43,693

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

29. OPERATING EXPENSES (CONTINUED)

	2021 R'000	2020 R'000
Motor vehicle expenses	51,661	68,293
Promotions	5,066	19,144
Software expenses	32,712	13,417
Staff welfare	25,884	79,344
Telephone and fax	19,045	26,657
Other operating expenses	155,452	189,486
Impairment of financial assets	130	1,023
Special projects expenses	91,119	126,359
Cost of retail operations	118,296	223,255
	862,099	**1,207,247**

30. AUDITORS' REMUNERATION

	2021 R'000	2020 R'000
Internal audit fees	749	653
External audit fees	5,630	7,471
	6,379	**8,124**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

31. IRREGULAR EXPENDITURE

	2021 R'000	2020 R'000
Opening balance as previously reported	429,791	198,738
Correction of prior period error	-	28,352
Opening balance as restated	**429,791**	**227,090**
Add: Irregular expenditure - current	33,867	18,774
Add: Irregular expenditure - prior period	9,492	183,927
Less: Amounts removed by the accounting authority	(411,017)	-
Closing balance	**62,133**	**429,791**

The Corporate Insurance contract is making up 80% (R26 981 443.69) of Irregular Expenditure assessed in the current financial year. In contrast, the remaining 20% is related to other irregular expenditures incurred due to non-compliance with procurement process requirements.

Determination tests, assessments, consequence management and condonation were processed for R411 016 966.02 relating to 2018/19 irregular expenditure transaction.

32. FRUITLESS AND WASTEFUL EXPENDITURE

	2021 R'000	2020 R'000
Opening balance as previously reported	370	62
Opening balance as restated	**370**	**62**
Add: Expenditure identified - current	191	308
Closing balance	**561**	**370**

Majority of the fruitless and wasteful expenditure in the current year is made up of incorrect overpayments to employees.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

33. CASH GENERATED FROM OPERATIONS

	2021 R'000	2020 R'000
(Deficit) surplus	(78,012)	234,820
Adjustments for:		
Depreciation and amortisation	146,220	171,361
Loss on sale of assets	14,621	3,717
Finance costs	43	15,331
Movements in retirement benefit liabilities	85,330	(21,244)
Movements in provisions	23,748	18,667
Bad debts written off	6,480	2,641
Other non-cash items	12,762	-
Changes in working capital:		
Inventories	1,889	(5,843)
Receivables from exchange transactions	(44,665)	(14,620)
Other receivables from non-exchange transactions	10,141	141,003
Payables from exchange transactions	(131,779)	129,483
Unspent conditional grants and receipts	11,135	40,545
Reservation deposits	17,352	(556)
	75,265	**715,305**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

34. RISK MANAGEMENT

Financial risk management

SANParks's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

SANParks's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on SANParks's financial performance. Risk management is carried out under policies approved by the Accounting Authority. The Accounting Authority provide written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

Liquidity risk

Liquidity risk is the risk of SANParks not having sufficient funds to meet its financial obligations as they fall due. SANParks manages liquidity risk through proper management of working capital, monitoring variances of actual expenditure against budgeted amounts, ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses SANParks's financial liabilities into relevant maturity groupings based on the remaining period from 31 March 2021 to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

	2021 R'000	2020 R'000

34. RISK MANAGEMENT

	Within 1 year R'000	Later than 1 year and not later than 5 years R'000
Finance lease obligation	49,683	52,278
Trade and other payables	46,772	-
Reservation deposits	396,584	-
Unspent conditional grants	744,136	-
Post retirement health benefit obligation	548,559	-
	1,785,734	**52,278**

Credit risk

Credit risk is the risk of financial loss to SANParks where counterparties to financial instruments fail to meet their contractual obligations. Credit risk arises mainly from cash deposits, cash and cash equivalents and trade debtors.

Trade debtors are amounts owing by various types of customers. Credit risk from trade debtors is limited as sales to retail customers are settled in cash or using major credit cards. No credit is allowed unless back by an agreement whereby risk control assesses the credit worthiness of the customer, taking into account its financial position, past experience and other factors. Where necessary, SANParks obtains appropriate deposits from debtors to mitigate risk. SANParks accounts for an impairment that represents its estimate of incurred losses in respect of trade debtors. Trade debtors are presented net of the allowance for impairment

SANParks limits its exposure to credit risk on cash and cash equivalents by investing with only reputable financial institutions that have a sound credit rating and within specific guidelines set in SANParks investment policy and cash management procedures. Therefore SANParks does not consider there to be any significant exposure to credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at 31 March 2021 was as follows:

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

34. RISK MANAGEMENT (CONTINUED)

	2021 R'000	2020 R'000
Financial instrument		
Cash and cash equivalents	2,232,046	2,542,600
Receivables from exchange transactions	88,792	45,347

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of market factors such as interest rates and foreign exchange rates. SANParks' exposure to market risk is limited to interest rate risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will be negatively affected by the adverse changes in interest rates.

SANParks's interest rate risk arises from finance leases and investments at variable interest rates.

Interest rate risk on investments is monitored by key management personnel through ensuring that investments are made in accordance with SANParks' investment policy. Investments are diversified amongst financial institutions selected according to their registered investment grading. The investment portfolio is structured so that securities mature to meet cash requirements for ongoing operations and special projects, and also so that SANParks investments can achieve a rate of return on the surplus funds invested that will outperform the rate of return of such funds at current account rates. Operating funds are invested primarily in short-term securities or similar investment pools.

Interest rate risk on finance leases at variable rates is monitored by key management personnel through cash flow forecasts. Cash flow forecasts are assessed and monitored to ensure that reasonable and appropriate assumptions have been taken into consideration to minimise interest rate risk on future cash flows.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

	2021 R'000	2020 R'000

35. RELATED PARTIES

Relationships	
Members	Names of members are listed in the Management Class: Board Members below.
Controlling entity	Department of Forestry, Fisheries and the Environment
Members of key management	Names of key management are listed in the Management Class: Executive Management below.

SANParks is not required to disclose the value of transactions with other public sector entities as the transactions were concluded within normal operating procedures and on terms that are no more or no less favourable than the terms it would use to conclude transactions with another entity or person. The grants paid by Department of Forestry, Fisheries and the Environment to SANParks is part is the manner in which government funds organs of state, and such transfers and allocations are within normal operating procedures therefore part of the normal supplier and client relationships.

Related party balances

	2021 R'000	2020 R'000
Unspent conditional grants		
Department of Forestry, Fisheries and the Environment	409,575	529,622

The unspent conditional grant represents grants received by SANParks which have been accounted for as a liability in terms of GRAP 23 as the conditions pertaining to the grant have not yet been met.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

35. RELATED PARTIES (CONTINUED)

Key management information		
Class	**Description**	**Number**
Non-executive board members	Accounting Authority	14
Executive management	Executive Management of SANParks	7

Remuneration of management

Management class: Board members

2021	**Fees for services as a member of management**	**Subsistence and Travel Allowance**	**Total**
Name			
Ms J Yawitch (Chairperson)	68,683	5,951	74,634
Mr L Mogakane	166,487	16,370	182,857
Mr T Motsepe	151,618	-	151,618
Dr T Abrahamse	94,072	9,135	103,207
Adv T Mphahlane	154,146	14,768	168,914
Ms S Molokoane	148,408	-	148,408
Dr U Govender	-	-	-
Prof E Mokotong	151,618	-	151,618
Mr F Docrat	176,162	17,370	193,532
Mr Z Fihlani	107,808	10,667	118,475
Mr J Mashele	140,379	13,705	154,084

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

35. RELATED PARTIES (CONTINUED)

Management class: Board members

2021	**Fees for services as a member of management**	**Subsistence and travel allowance**	**Total**
Name			
Ms B Koyana	135,103	14,174	149,277
Mr S Munzhedzi (DFFE Rep)	-	-	-
Mr R Sedumo (DFFE Rep)	-	-	-
Mr F Mketeni (CEO)	-	-	-
	1,494,484	**102,140**	**1,596,624**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

35. RELATED PARTIES (CONTINUED)

2020	Fees for services as a member of management	Subsistence and travel allowance	Total
Name			
Ms J Yawitch (Chairperson)	99,970	5,195	105,165
Ms K Njobe (resigned September 2019)	-	219	219
Ms T Essop (resigned September 2019)	61,929	1,891	63,820
Dr T Abrahamse	65,598	4,882	70,480
Adv T Mphahlane	114,222	8,001	122,223
Ms S Molokoane	48,699	5,950	54,649
Dr U Govender	-	2,811	2,811
Prof E Mokotong	122,481	6,182	128,663
Mr F Docrat	5,046	556	5,602
Mr R Theunissen	26,205	2,585	28,790
Mr J Mashele	5,046	287	5,333
Ms B Koyana	5,046	426	5,472
Mr L Mogakane	125,229	15,082	140,311
Mr T Motsepe	122,478	13,673	136,151
Ms E Makau (DFFE CFO resigned 4 March 2020)	-	-	-
Mr R Sedumo (DFFE CFO)	-	-	-
Mr F Mketeni (CEO)	-	-	-
	801,949	**67,740**	**869,689**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

35. RELATED PARTIES (CONTINUED)

Management class: Executive management

2021	**Basic salary R'000**	**Subsistence and other allowances R'000**	**Other benefits R'000**	**Total R'000**
Name				
Mr F Mketeni - CEO	2,588	37	-	2,625
Mr D Dlamini -CFO	2,163	36	-	2,199
Mr G Coleman - ME KNP	2,281	57	2	2,340
Ms L McCourt - COO	2,194	33	-	2,227
Mr L Mokoena - ME Parks	2,021	55	-	2,076
Ms H Sello - ME Tourism	2,057	32	-	2,089
Dr L Dziba - ME Conservation Services	2,211	44	-	2,255
	15,515	**294**	**2**	**15,811**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

35. RELATED PARTIES (CONTINUED)

2020	Basic salary R'000	Bonuses and incentives R'000	Subsistence and other allowances R'000	Other benefits received R'000	Total R'000
Name					
Mr F Mketeni - CEO	2,601	169	53	2	2,825
Mr D Dlamini - CFO	2,174	145	53	2	2,374
Mr G Phillips - ME KNP (resigned July 2019)	824	973	43	-	1,840
Ms L McCourt - COO	2,205	139	61	2	2,407
Mr L Mokoena - ME Parks	2,031	131	96	2	2,260
Ms H Sello - ME Tourism	2,067	133	37	2	2,239
Dr L Dziba - ME Conservation Services	2,222	143	108	2	2,475
	14,124	**1,833**	**451**	**12**	**16,420**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

36. COMMITMENTS

	2021 R'000	2020 R'000
Authorised capital expenditure		
Already contracted for but not provided for		
• Property, plant and equipment	203,438	167,601
Total capital commitments		
Already contracted for but not provided for	203,438	167,601
Authorised operational expenditure		
Already contracted for but not provided for		
• Within 1 year	163,532	415,036
• Between 2 and 5 years	208,337	333,539
	371,869	**748,575**
Total operational commitments		
Already contracted for but not provided for	371,869	748,575

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

37. CONTINGENCIES

Contingent Liabilities

Ehlanzeni District Municipality Matter

Claim for outstanding property rates over those parts of Kruger National Park falling within the Ehlanzeni District area of jurisdiction.SANParks raised a special plea that Ehlanzeni cannot institute a court action without first having invoked the Intergovernmental Relations Framework Act designed to minimise legal dispute between government agencies.Since then, the matter has been dormant and has never been actively pursued at court.

Estimated liabiltiy R100m (2020:R100m)

Swellendam Municipality v/s SANParks (Bontebok National Park)

Nine simple summons were served on SANParks on 26 June 2019 by the Swellendam Municipality for outstanding property rates in respect of various properties in Bontebok National Park. SANParks is uncertain on expected outcome of the case and timing of outflows.

Estimated liability R553 100.56 (2020:R553 100.56)

Madyayimile

In July 2020 Madyayimile issued summons out of the Mbombela High Court whereby they instituted various claims in terms of the Joint Building Contracts Committee (JBCC) agreement amounting to R11 million. SANParks is uncertain on expected outcome of the case and timing of outflows.

Genex Power Services (Pty) Ltd v/s SANParks

Genex Power Services (Pty) Ltd served summons on SANParks in May 2016 claiming payment of R 670 346.90 from SANParks allegedly due for construction work to the Nyalaland trail camp in KNP after flood damage. SANParks is uncertain on expected outcome of the case and timing of outflows.

Moropa Projects CC v/s SANParks

Summons was served on SANParks on 17 March 2021, in terms of which Moropa Projects has applied to the Tshwane Magistrate Court for an order for payment by SANParks in the amount of R100 050.00 (one hundred thousand and fifty rand) (debt amount) in respect of tools and factory equipment allegedly supplied and delivered to SANParks by Moropa Projects following an order placed by SANParks on 15 October 2019. SANParks is uncertain on expected outcome of the case and timing of outflows.

The liability is estimated at costs of R100 050.00 and legal costs of R100 000.00.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

37. CONTINGENCIES (CONTINUED)

Contingent liabilities

Contingent assets

Madyayimile

Madyayimile instituted various claims in terms of a JBCC agreement entered into between the parties amounting to R11 million. The matter was referred to arbitration and the parties agreed to settle. Parties agreed that Madyayimile pays SANParks R360 000 however Madyayimile has defaulted causing SANParks to bring an application to make the arbitration award an order of court.

38. EVENTS AFTER THE REPORTING DATE

Non Adjusting Event

Table Mountain National Fire

On 18 April 2021 there was a fire at Table Mountain National Park. The fire resulted in damages to the Rhodes Memorial restaurant. The fire spread to surrounding areas and as result there is a possible liability to third parties. The extent of the damage is still being assessed by the insurers. Therefore the financial effect cannot estimated.

Adjusting Event

Irregular Expenditure Removed

The Accounting Authority has removed R411 016 966.02 relating to the 2018/19 irregular expenditure transaction. The removal for condonation follows the determination test that the loss control committee conducted during the year under review, including the forensic investigation done on the Nature Conservation Trust expenditure amounting to R183 926 747.95.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

39. GOING CONCERN

The annual financial statements have been prepared based on the expectation that SANParks will continue to operate as a going concern for at least the next 12 months. The effects of the COVID-19 pandemic continue to impact on SANParks' self generated revenue as tourism revenue from international markets is still very low. However due to the eased lockdown restrictions within South Africa, SANParks still generates revenue from domestic travelers. SANParks continues to monitor expediture and implementing cost curtailment meaures to mitigate the financial impact of COVID-19. SANParks is also exploring other interventions in order to mitigate financial risk.

40. PUBLIC PRIVATE PARTNERSHIP PROGRAMME - PPP FEE INCOME

Lodge concession PPP fees

The lodge concessions entail allowing private operators to build and operate tourism facilities within the National Parks, on the basis of a defined period usually over a 20 year concession contract. Investors take over and upgrade specified existing lodge facilities, or build new ones. The contractual mechanism is a concession contract, which enables the private operator to use a defined area of land, plus any building that may already exist on that land, over a specific time period in return for payment of concession fees. Against these rights of occupation and commercial use of facilities, there is a set of obligations on the part of the concessionaire regarding financial terms, environmental management, social objectives, empowerment and other factors. Infringement of these requirements carries specified penalties, underpinned by performance bonds, and finally termination of the contract, with the assets reverting to SANParks.

The annual concession fee payable by the concessionaire to SANParks for any given concession year shall be the higher of a minimum rental as determined by the agreement for the concession year or a calculated annual concession fee based on the bid percentage of gross revenue for the concession year.

At the end of the concession period the concessionaires shall hand over the concession area, the camp, all concession assets and its rights or interest in the developments to SANParks free of charges, liens, claims or encumbrances of any kind whatsoever and free of any liabilities in good condition, fair wear and tear excepted. The concessionaire shall not, other than as provided for in respect of the residual value, be entitled to payment of any compensation in connection therewith.

Performance bonds were provided to SANParks by the concessionaires that are operative from the effective dates. The concessionaires will maintain valid performance bonds from the effective dates until 90 business days after the expiry or earlier termination of the concession contracts. The amounts to be guaranteed by the performance bonds shall be equal to R250 000 at effective date and increased every 3 years by CPI per Concession Area.

The calculated annual concession fee is based on the bid percentage of actual gross revenue for that concession year. The specific obligations per concession are detailed in the schedule below:

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

40. PUBLIC PRIVATE PARTNERSHIP PROGRAMME - PPP FEE INCOME (CONTINUED)

National Park - Concession area	Concession holder	Commissioning date	Termination date
Addo - Gorah Elephant Camp	Hunter Hotels (Pty) Ltd	1 January 2001	30 Septmber 2032
Kruger - Mutlumuvi	Rhino Walking Safaris (Pty) Ltd	1 October 2003	30 June 2024
Kruger Mpanamana	Shishangeni Lodge (Pty) Ltd	1 January 2002	31 October 2025
Kruger - Jakkalsbessie	Jakkalsbessie Lodge (Pty) Ltd	1 December 2002	30 September 2023
Kruger - Jock of the Bushveld	Mitomeni River Lodge (Pty) Ltd	1 July 2001	31 March 2022
Kruger - Lwakahle	Lukimbi Safari Lodge (Pty) Ltd	1 November 2001	30 June 2023
Kruger - Mluwati	Imbali Safari Lodge (Pty) Ltd	1 January 2002	30 September 2022
Kruger - Nwanetsi	Singita Lebombo (Pty) Ltd	1 March 2002	30 Septmber 2033
Table Mountain - Roundhouse	Roundhouse (Pty) Ltd	1 August 2002	30 April 2031
Table Mountain - Koeel Bay	Koeel Bay Hospitality (Pty) Ltd	1 February 2007	31 July 2028
West Coast - Houseboats	Kraalbaai Houseboats (Pty) Ltd	1 December 2019	31 December 2029
Namaqua - Luxury Beach Camp Mobile Tents	Chief Luxury Mobile Tented Camp	23 August 2018	22 August 2024
Kruger - Shalati Train Skukuza	Thebe Tourism	1 December 2020	31 December 2045

Public Private Partnership Programme: Retail and Restaurant Facility Rental Income

The concession contracts for retail and restaurant operations entail allowing private operators to operate SANParks' existing facilities on the basis of a medium-term operating agreement. Investors manage and upgrade existing retail and restaurant facilities (it should be noted that as part of the most recent tender process SANParks undertook refurbishments to some facilities which included upgrading to electricity, refrigeration, roofs, floors and tiling). The agreements enable the operators to use a defined area over a pre-determined term in return for payment of concession fees. Funding for the refurbishment of ageing infrastructure is for the concessionaire’s account. Against the right of occupation and commercial use of facilities, there are set obligations on the part of the concessionaire regarding financial terms, environmental management, social objectives, empowerment and other factors. Infringement of these requirements carries specified penalties, including termination of the contract with the assets reverting to SANParks.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

40. PUBLIC PRIVATE PARTNERSHIP PROGRAMME - PPP FEE INCOME (CONTINUED)

The monthly rental payable for the facilities by the private operator to SANParks for any given month shall be the higher of the fixed monthly rental as defined by the agreements, escalating on an annual basis; or the rental based on actual gross revenue realised, expressed as a percentage of gross revenue.

The private operators have provided SANParks with Performance Bonds equivalent to 3 months fixed rental in the form of Performance Guarantees that secure the operators performance under the Operating Agreement on the basis set out in the Facilities Rental Agreement.

The following schedule summarises the potential income receivable from the various operators for the various sites:

Retail and Restaurant	Commissioning date	Termination date
The Park Shop (South) - Tourvest	1 February 2013,	30 September 2023
Cattle Baron Restaurant - Tourvest	1 April 2014	30 November 2024
Daroware t/a Big Tree Café	1 December 2019	30 October 2025
Town Talk Trading Enterprises t/a Big Tree Curio Shop	1 December 2019	30 October 2025
Jobojali cc T/a Salt and Pepper Restaurant	1 December 2013	31 July 2024
The Park Shop (North) - Tourvest	1 February 2013	30 September 2023
Royal Ibhubesi Safari Company - Bush Braai	1 March 2018	31 December 2026
Tindlovu Bush Café	1 June 2016	31 January 2032
Select Events and Venues CC	1 December 2013	31 July 2024
Renvir (Pty) Ltd - Mugg and Bean Lower Sabie	1 March 2014	31 October 2024
Eysbos (Pty) Ltd - Wimpy Pretoriuskop	1 Mrch 2014	31 October 2024
Cattle Baron Restaurant - Tourvest	1 October 2014	31 May 2025
Tourvest Holdings (Pty) Ltd	1 October 2016	31 May 2032
Boulders Penguin Sanctuary	1 December 2019	31 December 2029
Cattle Baron Resturant - Tourvest	1 January 2014	31 March 2025
Pojie Restaurant (Pty) Ltd	1 May 2018	30 April 2022

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

40. PUBLIC PRIVATE PARTNERSHIP PROGRAMME - PPP FEE INCOME (CONTINUED)

Activities	Contracting Party	Commissioning Date	Termination Date
Kruger National Park	Skukuza Airport Management Co	01 June 2014	28 February 2025
	AM Spa	22 May 2017	31 January 2028
Cape Point Lease and TMACC	Cape Point - Concor	1 May 1995	31 March 2022
	Table Mountain Aerial Company	26 November 2006	25 November 2025
	Absailing	1 June 2015	31 May 2021
	Rhodes Memorial	01 November 2010	30 April 2021
Tsitsikamma Forest Income	Adventures Out There	24 October 2013	01 July 2019
	Storms River Adventures Tree Top	01 April 2013	30 September 2019
	Mild2Wild	01 April 2013	31 March 2020
	Tours and Woodcutter Trail Cadeau Hiking Trail	01 December 2016	31 March 2022
Tsitsikamma Rest Camp	Untouched Adventures	01 Jan 2015	31 December 2020
	Segway Bike Tours	01 December 2013	31 December 2020
Addo Nyati Section	Riverbend Country Lodge	01 June 2004	31 May 2054
Marakele	Marakele (Pty) Ltd	02 November 2000	01 December 2030
Addo	Kuzuko Lodge	99 year lease	99 year lease
Kgalagadi National Park	Ixhaus Lodge	01 May 2007	30 April 2027
Tankwa Karoo National Park	Gannaga / Tankwa Lodge	01 April 2010	Revised every 3 years

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

41. PRIOR PERIOD ERRORS

Heritage assets

Nature: SANParks has not assessed and verified the existence of cultural heritage assets in National Parks within the transitional provision period since adoption of the GRAP 103. Since adoption of the standard, a desktop database of heritage resources was kept despite the fact that the listed assets were not verified as heritage assets. To verify and confirm that such assets are indeed of heritage value, SANParks needed to apply the criteria and definition of cultural heritage contained in Section 3 of the National Heritage Resources Act, 25 of 1999 (NHRA) and also apply principles of GRAP 103 to confirm that the assets meet the GRAP 103 definition of a heritage asset. Therefore due to the failure to verify and measure heritage assets that existed at the time of initial adoption of GRAP 103, heritage assets were misstated.

Provision for leave liability

Nature: The provision for leave was incorrectly accounted for in prior years due to a system fault which did not correctly calculate the leave balances for employees. The balances on the system were overstated and as a result the provision for leave was overstated. SANParks has undertook to correct the leave balances of prior years and as a result the prior year's leave provision has been corrected.

Operating expenditure recorded in the incorrect financial period

Nature: Operating expenditure which occurred in the 2019/20 financial year was incorrectly accounted for in the 2020/21 financial year. The error was corrected and comparative amounts have been retrospectively adjusted.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

41. PRIOR PERIOD ERRORS (CONTINUED)

The correction of the error(s) results in adjustments as follows:

	2021 R'000	2020 R'000
Statement of financial position		
Increase in heritage assets	-	173,984
Decrease in provisions	-	44,415
Increase in payables from exchange transactions	-	14,287
Opening accumulated surplus	-	218,400
Statement of financial performance	-	1,092
Increase in employee related costs	-	232
Increase in operating lease payments	-	331
Increase in repairs and maintenance	-	12,632
Increase in operating expenses		
Irregular expenditure		
Opening balance	-	198,738
Adjustments made	-	28,352
Restated opening balance	-	227,090

The opening balance for irregular expenditure were adjusted for transactions incorrectly included in irregular expenditure.The opening balance for irregular expenditure was adjusted to R28 352 218.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2021 (CONTINUED)

42. SEGMENT INFORMATION

General information

Identification of segments

SANParks' activities are very broad, and are undertaken in a wide range of different geographical areas with different socioeconomic characteristics. To enable efficient and effective delivery on the strategy of SANParks, the Executive Management structure subdivided SANParks into three categories, namely: Kruger, Parks and Corporate. In establishing the segments to report on, management organised the financial information according to the three existing Executive Management structures.

Each of the three categories was identified to meet the definition of segments as it was noted that each;

- generates economic benefits or service potential;
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Management opted to combine Parks operations into a single segment as the Parks have similar economic characteristics and share a majority of the aggregation criteria stipulated below;

- the nature of the goods and/or services delivered is more or less similar;
- the type or class of customer or consumer to which goods and services are delivered is similar;
- the methods used to distribute the goods or provide the services is almost identical; or
- the nature of the regulatory environment that applies to the segment (NEMPAA).

The segments were structured such that the totals of revenues, reported segment surplus or deficit, segment assets, segment liabilities and other material segment items correspond to figures recognised in the Annual Financial Statements. Therefore, a reconciliation of the segment figures to the Annual Financial Statements is not necessary.

42. SEGMENT INFORMATION (CONTINUED)

Segment surplus or deficit, assets and liabilities

2021

	Corporate	Kruger	Parks	Total
Revenue				
Revenue from non-exchange transactions	1,544,113	2,788	5,184	1,552,085
Revenue from exchange transactions	186,559	446,725	261,823	895,107
Inter-segment transfers	-	-	-	-
Interest revenue	-	-	-	-
Total segment revenue	**1,730,672**	**449,513**	**267,007**	**2,447,192**
Interest income				49,075
Entity's revenue				**2,496,267**
Expenditure				
Employee related costs	469,291	484,293	386,021	1,339,605
Depreciation and amortisation	25,957	67,111	53,152	146,220
Operating leases	2,740	23,612	14,037	40,389
Repairs and maintenace	98,873	30,159	34,598	163,630
Operating expenses	556,790	177,001	128,218	862,009
Loss on disposal of assets	4,318	4,604	5,699	14,621
Finance costs	2,660	2,776	2,370	7,806
Total segment expenditure	**1,160,629**	**789,556**	**624,095**	**2,574,280**
Total segmental surplus/(deficit)				**(127,088)**
Total revenue reconciling items				49,075

42. SEGMENT INFORMATION (CONTINUED)

2020

	Corporate	Kruger	Parks	Total
Revenue				
Revenue from non-exchange transactions	755,823	2,054	2,144	760,021
Revenue from exchange transactions	288,632	1,191,518	854,957	2,335,107
Total segment revenue	**1,044,455**	**1,193,572**	**857,101**	**3,095,128**
Interest income				72,974
Entity's revenue				**3,168,102**
Expenditure	375,332	547,808	405,083	1,328,223
Employee related costs	22,497	79,613	69,251	171,361
Depreciation and amortisation	4,004	26,208	9,168	39,380
Operating leases	63,082	27,636	74,126	164,844
Repairs and maintenace	655,122	346,071	209,199	1,210,392
Operating expenses	3,587	6,221	5,557	15,365
Loss on disposal of assets	3,557	160	-	3,717
Finance costs	**1,127,181**	**1,033,717**	**772,384**	**2,933,282**
Total segment expenditure				161,846
Total segmental surplus/(deficit)				**72,974**
Total revenue reconciling items				

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