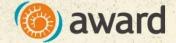
CBA series #4 Developing

Environmental Policies to

Protect Biodiversity



no.

SOUTHERN AFRICA

USAID: RESILIENCE IN THE LIMPOPO BASIN PROGRAM (RESILIM) - OLIFANTS

The municipality can develop environmental policies & by-laws to protect CBAs & ESAs.

Policies and by-laws [Spatial Planning and Land Use Management Act (16 of 2013)]:

Municipalities can develop policies or by-laws concerning spatial planning, land development and land use; and for enforcing its land use scheme. Therefore, the CBA Map and land use guidelines can be incorporated into these policies.

Financial measures [Municipal Property Rates Act (6 of 2004)]:

Opportunities to promote the protection of biodiversity are presented by the Municipal Prorty Rates Act (6 of 2004). The council of a municipality must adopt a policy on the levying of rates on rateable property (Chapter 2, Section 3). In the case of private land that includes CBA and ESA, municipalities can encourage the management of biodiversity by applying the following:

- Rates Exemption: this may be applied on land where there is a conservation management plan, a contractual agreement and title deed restrictions (i.e. not a formal Protected Area in terms of NEMPAA, which is subject to 'rates exclusions'). Section 17 (1) (e) of the Municipal Property Rates Act states that special nature reserves, national parks and nature reserves are excluded from paying property rates. This exclusion applies only to those portions of the land that are not used for commercial, business, agricultural or residential purposes.
- Rates Rebate: where there is a conservation management plan, the rebate agreement is short-term (e.g. 5 years) and is at least on a par with the agricultural rebate extended to landowners in some areas
- Rates Re-evaluation: where the valuation system reflects a reduction in property value (for rates purposes) if the land is managed for conservation. The municipality can approach a landowner with a proposal of environmental servitude and re-evaluation. If the landowner agrees, a notarial deed is drawn up, and upon signature, the municipality can revalue the land.
- Not reducing land value (and therefore rates) where land is infested with invasive alien species nor increasing rates where land contains CBA and ESA.

In the case of rateable property, municipalities can encourage environmental management by applying:

Environmental Management Levy: Levying charges to rate payers based on a sliding scale that is directly linked to specific environmental management objectives.

The rates by-law can therefore promote the economic, efficient and effective use of resources, waste management, including other environmental objectives for sustainable development. It can thus contribute to services, projects or programmes related to safeguarding the environment, such as clearing invasive alien plants (promoting water security), managing wastewater pollution (complying with green drop), urban greening, water conservation, recycling (see below) etc.

The DEA has developed guidelines to assist municipalities to include a solid waste tariffs policy as part of the municipal tariff policy and by-laws. Refer to http://sawic.environment.gov.za/ and http://sawic.environment.gov.za/documents/1350.pdf).

Municipalities are therefore encouraged to implement rates policies that support environmental management activities, and which can contribute to job creation.

Fiscal incentives [Income Tax Act (58 of 1962)]

The Income Tax Act also allows for further opportunities to promote the protection of biodiversity in the municipality. To provide for tax incentives, the Revenue Laws Amendment Act (60 of 2008) introduced section 37C into the Income Tax Act, with effect from 8 January 2009. This was unsuccessful, and resulted in the introduction of section 37D, effective as of 1 March 2015.

Section 37C of the Income Tax Act now deals primarily with Protected Environments and Biodiversity Management Agreements in conjunction with Nature Reserves and National Parks.

Section 37D of the Income Tax Act gives a tax deduction to landowners of proclaimed nature reserves or a National Park. The landowner of a nature reserve or National Park can deduct 4% of the value of the declared land from their taxable income each year for 25 years.

An Environmental Management Plan for municipal-owned land

REMEMBER: The management of natural resources is a cross-cutting exercise, requiring the collaboration of a range of agencies and departments (e.g. LEDET, SANParks, DWS etc.) These agencies should provide assistance to municipalities in developing management plans for all municipal-owned land that include CBA and ESA. In addition, projects with biodiversity benefits (e.g. invasive alien plant clearing, eco-tourism, sustainable medicinal harvesting) can be identified and implemented as part of IDP and LED processes.

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AWARD is a non-profit organisation specializing in participatory, research-based project implementation. Their work addresses issues of sustainability, inequity and poverty by building natural-resource management competence and supporting sustainable livelihoods. One of their current projects, supported by USAID, focuses on the Olifants River and the way in which people living in South Africa and Mozambique depend on the Olifants and its contributing waterways. It aims to improve water security and resource management in support of the healthy ecosystems to sustain livelihoods and resilient economic development in the catchment.

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About USAID: RESIIM-O

USAID: RESILIM-O focuses on the Olifants River Basin and the way in which people living in South Africa and Mozambique depend on the Olifants and its contributing waterways. It aims to improve water security and resource management in support of the healthy ecosystems that support livelihoods and resilient economic development in the catchment. The 5-year program, involving the South African and Mozambican portions of the Olifants catchment, is being implemented by the Association for Water and Rural Development (AWARD) and is funded by USAID Southern Africa.

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