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Draft Revised White Paper on National Transport Policy

2017

Department of Transport, Pretoria

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FOREWORD

Public policy making processes are by their nature cumbersome. Not the least because of the issues to be addressed, but because they have to be inclusive and a myriad of competing interests need to be addressed and to an extent satisfied.

Nonetheless, I am pleased to say that the Review of the White Paper on National Transport Policy of 1996 has largely been an inclusive process. It is thus my utmost honour to present to the country the output of that process.

It is through the articulation of this over-arching transport policy document that we intend to shape the future of transport in our country. The 1996 White Paper was the blue-print from which many policies, strategies and plans emerged, this revised policy framework, becomes a lever to further illustrate government's commitment to reflect on its activities, take corrective action and remain relevant to developments in the country, the region, the continent and the world.

It is through the Revised White Paper on National Transport Policy that we commit ourselves as government to work tirelessly to address the triple challenge of poverty, unemployment and inequality. This we will do by making sure that implementation strategies that come out of these policy pronouncements are aimed at using transport to create jobs, to stimulate rural economies and to be accessible to all including the disabled people of our country.

South Africa plays a very important role in the region as a transit point for many landlocked countries and as a trade hub for exports and imports. Our transport infrastructure and operations must be such that the country is competitive as we strive to reduce the cost of doing business. This vision finds its resonance in our development plans and well-articulated in our national transport policy.

We have over the past two decades investigated ways in which we can strengthen our logistics chain in the country for the seamless movement of goods and people. This has led to the development and finalisation of many mode specific policies in the Department of Transport to effect the policy objectives in the White Paper on National Transport Policy.

While we acknowledge that our policy regime reflects our noble intentions and to support the Government's Programme of Action, more often our planning happens in silos and thus disintegrated approaches become impediments to service delivery. It has thus become exceedingly important to strengthen our policy initiatives with our planning in the form of NATMAP 2050, the current development of the Integrated Transport Planning Bill and the establishment of the National Transport Forum. Through the application of these planning frameworks and cooperation through established structures we are able to make comprehensive and lasting interventions in the lives of our people.

Safety on our roads is still a concern and a priority. It is in this light that we have made unwavering commitment to the Decade of Action on Road Safety 2011-2021. Also our partnership with civil society movement is proving to bear fruits. However there is still more that needs to be done.

Periodic monitoring and evaluation of our policies and strategies in a necessary exercise to make relevant policy decisions and the department is grateful to everyone who had diligently participated in this review process so that "together we move South Africa forward".

Thank you.

ACKNOWLEDGEMENTS

The policy review process has been as inclusive as possible. Individuals and representatives of a large number of organisations have participated in meetings of the Steering Committee, Workshops and individual meetings. These are listed in an annexure.

The contributions of these organisations, and those of many individuals, are acknowledged.

INTRODUCTION

Transport plays a significant role in the social and economic development of any country, and the National Government of the Republic of South Africa (the Government) has recognised transport as one of its priority areas for socio-economic development. The effectiveness of the role played by transport is to a large extent dictated by the soundness of the transport policy and the strategies utilised in implementing the policy.

Public policy cannot be static and in a rapidly changing world must strive to be dynamic, responding to changes in the environment within which it operates. Policy therefore needs to be reconsidered and, if necessary, revised on a continuing basis.

The last major analysis and formulation of the overarching transport policy in South Africa, as differentiated from specific modal transport policies, took place in the mid 90's. Since then, there have been changes in South Africa's political, economic and social conditions and concomitantly in the needs the transport sector faces in the post-apartheid democracy. Hence, a review of the overarching transport policy is both desirable and required.

Early in 2015 the Department of Transport (DoT) embarked on a project to review and revisit transport policy and formulate new policy where it had become necessary to adjust to a changed environment. This policy making process involved, as far as possible, all transport-related role players in identifying issues, generating policy options and discussing and accepting policy proposals. The review and policy development process was guided by a Steering Committee of the DoT. A draft revised White Paper was prepared following stakeholder consultation.

The policies expressed in this draft revised White Paper are thus the result of a broad public policy making process. While taking into account diverse and at times conflicting viewpoints on specific issues, public policy inevitably has to enunciate the Government's views on what will best serve the overall national interest, making some difficult trade-offs. Hence, although this draft revised White Paper on National Transport Policy has incorporated the prevailing policies of the Government, it may not satisfy all interests in all matters. Nevertheless it is apparent from the comments received on the draft White Paper that there is broad acceptance of the policy directions set out in this White Paper.

1. VISION, OBJECTIVES AND PRINCIPLES

1.1. POLICY VISION

The vision for South African transport has been reconfirmed and reformulated as follows.

“A transport system that provides equitable and reliable access for all in an economically and environmentally sustainable manner to advance inclusive growth and competitiveness of the country.”

In particular, government will provide for a transport system that will:

- *Facilitate the movement of goods and people;*
- *Enable equitable access to personal economic opportunities and social services;*
- *Support economic and environmental sustainability and inclusive growth; and*
- *Advance national, regional and global competitiveness of the country.*

To achieve this, there must be adequate supply of transport infrastructure and services in relation to demand. Furthermore, for the users of transport, the supply should be:

- *Accessible;*
- *Cost effective;*
- *Time efficient and reliable; and*
- *Safe and secure.*

A key ingredient to future success will be the sharing of this vision by all the key role players, backed by coordinated and integrated planning, decision making and implementation. This requires the translation of the policy objectives into specific measurable objectives relating to particular modes of transport.

1.2. POLICY OBJECTIVES

During the research and development process, the policy goals and objectives of 1996 were confirmed and a general consensus reached that, despite significant progress made, they are as relevant 20 years on. The broad transport objectives and goals remain centred on the smooth and efficient interaction that allows society and the economy to reach their potential. The priorities in providing and using the transport system should be consistent with those that have been set for the country as a whole. The broad objectives of the Government's transport policy are:

- To support the goals of the prevailing, overarching plan for national development to meet the basic accessibility needs of the residents of South Africa, grow the economy, develop and protect human resources and involve stakeholders in key transport-related decision making;
- To enable customers requiring transport for people or goods to access the transport system in ways that best satisfy their chosen criteria;
- To improve the safety, security, reliability, quality, and speed of transporting goods and people;
- To improve South Africa's competitiveness and that of its transport infrastructure and operations through greater effectiveness and efficiency to better meet the needs of different customer groups, both locally and globally;
- To invest in infrastructure or transport systems in ways that satisfy social, economic or strategic investment criteria; and
- To achieve the above objectives in a manner that is economically and environmentally sustainable, and minimises negative side effects.

These goals are elaborated on below.

1.2.1. **To support the goals of the prevailing, overarching plan for national development to meet the basic accessibility needs of the residents of South Africa, grow the economy, develop and protect human resources, and involve stakeholders in key transport-related decision making**

The South African transportation system remains partially inadequate to meet all accessibility needs (to work, health care, schools, and shops) in many developing rural and urban areas. Small scale and subsistence farmers in many rural areas find it difficult to transport products and other commodities to and from markets and extractive industries face similar challenges. In accordance with the objectives of the prevailing national plan, these needs must be addressed in an accelerated manner.

Scarce resources will be mobilised to best meet the needs of those passengers and industries who need them most, in a manner that is in the best interests of society. In order to meet basic accessibility needs the transport services offered must be affordable to the user. This will be a goal of transport planning, subject to the constraints of the financial affordability and sustainability of the provision of the services.

Required skills and technologies will be identified, including defining current levels and methods for achieving those needed in the future, such as training and education through a variety of mechanisms.

Fair and acceptable labour practices, workers' rights, job creation and security, sound working conditions, health and safety, and welfare benefits of employees in the industry will be promoted, and where appropriate regulated.

In order to broaden economic participation in transport service provision, the DoT will promote adherence to the Broad-Based Black Economic Empowerment (B-BBEE) Guidelines as determined by the Government from time to time, and will carry out its functions in a way that promotes small, medium, and micro enterprises (SMMEs).

Public participation in decision making on important transport issues, including the formulation of policy and the planning of major projects, will be encouraged.

1.2.2. To enable customers requiring transport for people or goods to access the transport system in ways that best satisfy their chosen criteria

A key focus of the policy will be on meeting customer needs. The needs of the community and customers will be determined and provided for by a transparent, consultative, coordinated and accountable process, based on comprehensive information.

Inputs from customers and key customer groups will be identified through the formation of consultative bodies and assessments of individual needs and how these can best be met. Key customer groups will include the users of passenger transport services for commuting, educational, business, tourism, and private purposes, in the urban, rural, regional, and international environment, by all modes. Key customer groups will include the poor and targeted categories of passengers, which includes persons with disabilities. Key customer groups will also include entities requiring the conveyance of goods, which could be high bulk goods like coal and minerals, manufactured products, perishables, or goods that have specialised requirements like dangerous materials, in all environments and by all modes.

The transport system will aim to minimise the constraints to the mobility of passengers and goods, maximising speed and service, while allowing customers the choice of transport mode or combination of transport modes where it is economically and financially viable to offer a choice of modes.

This demands a flexible transport system and transport planning process that can respond to customer requirements, while providing online information to the user to allow choices to be made. It also requires infrastructure to be tailored to the needs of the transport operators and end customers.

1.2.3. To improve the safety, security, reliability, quality, and speed of transporting goods and people

The safety, security, and quality of service of some modes of transport are currently below acceptable levels. The Government is committed to a concentrated and integrated effort to bring them into line with international best practice. Particular attention will be paid to road and rail safety. Improved safety and security is critical for achieving a shift of traffic from road to rail. This includes the protection of the rail system from theft and vandalism of rail assets and rail goods in transit.

1.2.4. To improve South Africa's competitiveness and that of its transport infrastructure and operations through greater effectiveness and efficiency to better meet the needs of different customer groups, both locally and globally

A key goal is to build South Africa's competitiveness in international trade by ensuring that the region's competitive advantages can be accessed and marketed. The transport element in the cost of agricultural products, raw materials, and manufactured goods can be a significant and deterring proportion of the final cost of both exports and imports.

This will require a decrease in transport costs for a given level of service, or increase in quality of service for a given level of cost, or where possible, both an increase in service and a decrease in cost. For passengers this means the cost of transport should represent a reasonable and declining percentage of disposable income from the current average of 30%, as measured in the National Household Travel Survey, 2013. Transport costs for goods should represent an affordable and, where possible, declining percentage of total cost of goods sold (for the same level of service).

It is the Government's view that these goals can best be met by ensuring competition in the provision of infrastructure and operations. Current levels of competition, the effectiveness thereof, the occurrence of dominance in transport markets and the potential abuse thereof inform the need to regulate certain transport infrastructure and operations services. The regulatory framework on economic aspects, such as pricing, tariffs, licensing and enforcement will be shaped to address market failures. Competition, whether for or in the market, will be encouraged where possible, and economic regulation will be applied where appropriate. In the transport sector, a level playing field will be provided, in which State-Owned Companies (SOCs) are expected to compete with private sector players without undue shielding from competitive forces. The State as a shareholder is represented by the Departments of Public Enterprises and Transport. In most instances, these departments together with the National Treasury determine the level of equity participation and the dividends policy. Where enabled by legislation or shareholder compacts, the SOCs can determine their dividends policy. Equity participation by the shareholding department must be managed efficiently, whilst exposing SOCs to similar market risks as private sector companies, so as to harness the optimal benefits of competition. Where SOCs compete with private sector companies, it must occur in a fair setting, where all competitors are treated equally, regardless of ownership.

1.2.5. To invest in infrastructure or transport systems in ways that satisfy social, economic or strategic investment criteria

Transport infrastructure costs generally represent only a small proportion of total transport costs, which further include operational costs and externalities such as, *inter alia*, congestion, pollution and accident costs. However, it is recognised that such costs can often vary as is the case in Rail, Ports and Pipelines which generates huge infrastructure costs.

Given the long-term and often indivisible nature of investments in transport infrastructure and systems, South Africa must build a strong financial base for the creation, maintenance and upgrading of transport infrastructure. There will be targeted state investment to build infrastructure in the right places and of the right kind which serves the needs of the society and the economy where the private sector is not able to supply the infrastructure or where it concerns strategic transport infrastructure.

There is generally a conflict between providing higher levels of service and minimising infrastructure costs – both the high-level infrastructure needed for the efficient functioning of the economy and the infrastructure required for social development. It will not be possible to satisfy all demands, and tough choices and trade-offs will have to be made.

Investments will be made after analysis of the return on such investment (ROI). Long-term investment decisions will be based on robust and explicit criteria aimed at optimising the use of scarce resources. These resources include not only financial resources, but also human and material resources. Investment decisions will be taken against a set of criteria that include lifetime cost, economic, social, and other returns on the investment to the country; the possibility and probability of private sector participation; returns to the transport system itself; and returns to the customer of the investment decision. Financial, legislative, organisational and other investment criteria should be met. Specific indicators should be associated with each, as well as information on who will make the investment, what the expected time horizon is, and sources of finance.

Currently the Government further subsidises certain transport operations for the benefit of users. Where the Government finds it desirable to institute or continue to provide grants or pay subsidies to achieve elements of its transport goals, it will do so in a targeted and measurable manner that ensures transparency and efficiency.

1.2.6. To achieve the above objectives in a manner that is economically and environmentally sustainable, and minimises negative side effects

The provision of transportation infrastructure and the operation of the transportation system have the potential for causing damage to the physical and social environment, *inter alia* through atmospheric or noise pollution, ecological damage, and severance.

The Government is cognisant of these dangers, both in regard to the detrimental effect on our own environment and in regard to international sanctions which could adversely affect the export of South African goods. The DoT is committed to an integrated environmental management approach in the provision of transport. Potential environmental issues will be identified and addressed, taking into consideration the costs and benefits associated with alternatives. These costs and benefits will be quantified in both economic and sustainability terms. The DoT will liaise with the national departments responsible for environmental affairs, water, trade and industry, energy and mineral resources in this regard.

The South African transportation system is heavily dependent on non-renewable energy sources. The Government will make responsible choices and minimise unnecessary travel, although it will not take steps to cut fuel usage in a manner that harms the economy. However, the Government will encourage the use of fuel-efficient modes of transport, cleaner fuels and “green technologies” in transport. The DoT will confer on this issue with the national departments responsible for energy, trade and industry, environmental affairs and finance.

Environmental sustainability will be a key measure in investment decisions. Investments in infrastructure which will not build economic efficiency or where infrastructure is unsustainable will be discouraged. Investments in infrastructure that promote energy efficiency and involve the least consumption of resources will be favoured.

1.2.7. Strategies to attain these goals

Strategies for achieving these goals will emerge in the following sections. Two key thrusts to achieve this vision, namely the promotion of integration and intermodalism, however, deserve mention at this stage.

Effective modal, spatial, institutional and planning integration is critical to transportation policy. Depending on the particular decision to be made, the appropriate government departments, the private sector, and consumers will be consulted in the decision-making process through appropriate forums. The transport sector will participate with other sectors in broader policy-making and decisions that affect the demand for transport. The roles and responsibilities of the key stakeholders and service providers will be clearly agreed. This will enable government regulation to be kept to a minimum, while both the state owned companies and the private sector will be able to build and operate within a fair regulatory competitive environment, be socially and environmentally responsible and self-regulating, and become world-class transporters and transport service providers.

Intermodal coordination, cooperation and the sharing of information, within the confines of the Competition Act, will be encouraged in both infrastructure provision and operations to optimise customer service, eliminate duplication, reduce destructive competition, minimise total costs, and maximise social and economic returns to investments.

While there are preferred roles for the various transport modes, often in a hierarchical framework, and while there are benefits to be gained by the use of the most appropriate mode, or of multiple modes with effective interchanges between them, it is not the intention of the Government to dictate such mode choices. However, the onus on the Government is to create a planning and incentives environment that promotes economically and environmentally sensible modal choices.

In promoting intermodalism, the Government intends to level playing fields and eliminate constraints or disincentives resulting in inefficiencies, including the use of inappropriate modes or less efficient providers. A key driver of reducing costs in transport is capacity utilisation. As such, a goal of infrastructure and modal planning will be to optimise capacity utilisation and to achieve a level of integration between modes.

A goal of the transport system is to create a fully integrated transport and information system that permits seamless, efficient, and transparent passenger and freight logistics in South Africa, regionally, and globally. South Africa's export focus will be supported by developing the integration of goods transport into regional and global transport patterns.

A focused, professional DoT will play a leading role in coordinating transport policy, and developing and implementing strategies. The DoT will do so in close cooperation with other departments, other spheres of government, and other stakeholders. There will be closer cooperation between transport and land-use planning. Appropriate service delivery mechanisms for the provision of infrastructure and operations will as far as possible be carried out through the use of entities outside of government.

1.3. POLICY PRINCIPLES

Policies in the transport sector must be outward looking and shaped by the needs of society in general, the needs of the users or customers of transport, and the needs of the economy that transport has to support. Transport can play a leadership role, for example in acting as a catalyst for development or in correcting spatial distortions.

Transport policies will take into consideration the “Avoid-Shift-Improve” paradigm, with the overarching aims to *avoid* unnecessary motorised travel and reduce travel distances; *shift* the trend of individual motorisation to safer, efficient and environmentally-friendly modes; and *improve* infrastructure and the management of transport services through the implementation of cleaner, efficient and safer technologies and practices.¹ All transport related policies will consider Environmental, Social, Governance, and Economic (ESGE) implications.

This is a national policy document. It makes reference to various roles, functions, and activities of government. In certain instances these relate only to the Government, but in others they are, in accordance with the Constitution of the Republic of South Africa (RSA Constitution), the concurrent responsibility of the provincial, and local levels of government. This document also makes reference to specific entities, with the understanding that the names, structure or role of these entities may change in the future. These references should thus be taken to relate to the current entities in instances where they have remained static, or to their successor entities in cases where their names, structure or role have altered.

1.3.1. The role of the Government

Government will focus on policy and strategy formulation, which are its prime role, and substantive regulation, which is its responsibility, with a limited direct involvement in operations and in the provision of infrastructure and services to allow for a more competitive environment and a level playing field.

The Government will emphasise strategic planning and bring key players together in broader national strategies which could not be achieved by any single player. The Government will retain its regulatory policy role to ensure effective regulation of safety, security and quality in general, to control market access for transport operators where this is appropriate, and to determine prices and tariffs where appropriate, for instance in the case of natural monopolies.

This will require implementation by focused and skilled experts, entrusted with regulation of complex relationships and contracts (in particular in the case of competition for the market). The approved development of a single transport economic regulatory authority indicates the Government’s intention to separate policy making from implementation, ensuring the full policy mandate rests with the Government, whilst implementation of the regulatory mandate is to be executed by an independent regulator in accordance with its published mandate, and without undue influence by industry, government and political officials.

The required shift will affect all levels of government, including local, metropolitan, provincial, and national levels, and the transport parastatal sector. The role of the State in all modes of transport can be summarised as follows:

¹ The Avoid-Shift-Improve paradigm approach to transport policy focusses on the demand-side and comprises of three broad strategies: (i) Avoid and reduce the need to travel through enhancing the efficiency of the transport system; (ii) Shift to or maintain the usage of more environmentally friendly modes of transport; and (iii) Improve energy efficiency through the optimisation of transport modes, transport infrastructure, and vehicle and fuel efficiency.

- Policy making, providing policy and regulatory certainty on matters of overarching, cross-cutting and modal transport policy;
- Separate public enterprise management from government policy and regulatory functions. Transport-related SOCs are subject to the Public Finance Management Act (PFMA) and must be governed by shareholder compacts that give effect to the policy and legislation of the DoT. In the mandate of SOCs, as reflected in legislation and regulations, there should be provision to ensure accountability by the SOCs for its decisions;
- Provide for non-discriminatory third party access to transport infrastructure/networks in the design of the regulatory framework where appropriate;
- Crowd in private sector investment, whilst minimising the fiscal burden to the State;
- Maximise private sector participation in the provision and management of transport infrastructure and services where appropriate;
- Stimulate competition in the market wherever possible, e.g. intermodal competition, spatial competition, and contestability;
- Create competition for the market where competition in the market is deemed less desirable or feasible, where possible, e.g. via competitive bidding/tendering, competitive contracting, and Demsetz competition, where in the latter two cases, the rights to serve the market are re-auctioned at appropriate intervals to incentivise the provision of a high-quality service and control over cost increases;
- Aim to achieve least-cost provision for agreed quality standards in both public and private sector service provision;
- Act as the supplier of last resort, i.e. when the private sector cannot reasonably be expected to provide the infrastructure or service;
- Permit public sector investment and participation in transport infrastructure and services that are traditionally capable of direct cost recovery from users but due to socio-economic considerations are not able to do so, only when positive externalities are clearly identified followed by a cost-benefit analysis that objectively demonstrates that the socio-economic benefits exceed the costs;
- Institute economic regulation only where appropriate, e.g. when there are aspects of natural monopolies; market failures or time-bound operating concessions;
- Promote cost-reflective tariffs, with a profit commensurate with the risk; and
- Ensure that subsidies are targeted, transparent and preferably output-based.

1.3.2. Institutional principles

Public policy making is carried out at various spheres of government. The cascading nature of public policy leads to national government policy generally being broad in nature and providing the reference framework within which more detailed policy is made at the provincial and local authority levels. Because of this, transport institutional policy needs to address arrangements for the relationships between various spheres of government, as well as the structure for non-

government or statutory transport bodies. The government will need to periodically assess the relevance, functional alignment and economic efficiency of the prevailing structure of the Department, and seek to improve the functioning of the transport system.

1.3.3. Inter-governmental matters

In addition to the exclusive responsibilities of the Government in regard to certain functional areas of transport, it has certain joint responsibilities with various other governments.

Regional

The Government will coordinate the relations between South Africa and neighbouring countries, and consult with the provinces where appropriate. Since South Africa became a member of the Southern African Development Community (SADC) in August 1994, the DoT has been actively involved in the activities of the Southern African Transport and Communications Commission (SATCC).

Integrated transportation systems are required to link the South African economy with that of the region. The focus will be on harmonisation and support of the SADC-SATCC Protocol on Transport, Communications, and Meteorology which seeks to advance the common regional economic and social prosperity through a process of regional integration. The protocol highlights the fact that the transport sector has a regional and global character and as such seeks to promote integration and cooperation in transport matters between member states.

National-Provincial

Schedule 4 of the RSA Constitution dated May 1996 lists Functional Areas of Concurrent National and Provincial Legislative Competence. Shared responsibility items are a matter for negotiation and agreement between the National and Provincial Governments. Where it is in the national interest to have uniformity, the Government will play a major role. Where flexibility is required, or where there are reasons for different approaches in the different provinces, a joint approach may be appropriate, with the provinces legislating and implementing as appropriate. An example of this joint approach is the case of road traffic legislation where an overarching central Road Traffic Act will legislate and regulate matters of nation-wide concern, whilst separate provincial Road Traffic Acts will legislate and regulate matters of specific provincial concern, within the framework of the overarching Act.

To promote integration and coordination of policy and activities between the national and provincial authorities a coordinating structure termed the Ministerial Conference of Ministers of Transport (MINCOM) has been established.

The process of interaction with the provinces on the allocation of powers and functions to the most appropriate level, and the establishment of mechanisms for coordination and cohesion to promote the strategic and functional interests of transport is ongoing.

Provincial-local

In terms of the RSA Constitution, the Government is not directly concerned with the relationship between provincial and local governments. The metropolitan conurbations in particular however are of major importance as a large proportion of South Africa's transport activities take place within metropolitan areas. Institutional arrangements should recognise this. The Government

remains committed to the principle of subsidiarity, whilst intra-governmental partnerships between provinces and municipalities and among municipalities will be encouraged

Departmental jurisdiction

The pipelines for piped-gas and liquid fuels represent another means of transporting bulk substances. We acknowledge the policies adopted with respect to these pipelines as contained in the White Paper on Energy Policy of 1998. This White Paper on National Transport Policy does not add to the policy relating to hydrocarbon pipelines. The extent to which these pipelines are deliberated on is in the context of switching freight from road to rail and pipelines.

Should conveyance of other products via pipelines require specific policy intervention in future, the Department of Transport's mandate would enable it to engage with the relevant energy department accordingly.

1.3.4. Financing principles

Financing approaches do not have to be uniform across the entire spectrum of infrastructure and operations. Internal consistency will however be sought. Distinction will be made between the following elements.

Elements of economic infrastructure and operations that provide a measurable economic or financial return

This category includes economic infrastructure (primary roads, railways, ports, airports, and pipelines), where the principle of user charging or cost recovery from direct users will be applied where appropriate, on the understanding that such measures will not be universally applied and the impact on vulnerable sectors of society will be considered in their design.

This category also includes all freight transport operations and financially viable passenger transport operations. These should be operated on commercial principles. There should be no government subsidy of these elements of operations.

The Government will strive to prevent any actions of the State from distorting pricing, other than targeted subsidies.

Elements of infrastructure and operations that cannot or should not be paid for by the user, but which provide social benefits

The Government is fully cognisant of its responsibility to play a leading role in the provision of socially necessary infrastructure, and to ensure the provision of operations and services to provide mobility and accessibility. Transport authorities, or their equivalent coordinated and accountable structures, are concerned that the current funding for such services are both inadequate and variable, and will continue their efforts to secure adequate and consistent funding.

To address this issue, the Government will contribute to the financing of services that are socially necessary in a transparent manner. This could be in the form of appropriations, grants or subsidies to achieve an equitable distribution of resources, or as incentives to provide services which are desirable in a broader social context, such as to promote public transport. In support of this, a public transport subsidy guideline should be developed, which establishes the objectives of such a policy, appropriate models of its implementation, and a costing

methodology. The basic principles of the public transport subsidy guideline should be that it is user targeted, equitable and sustainable in the medium to long-term.

The high costs inefficiencies, the high and often unrealistic expectations, and the limited financial resources of the Government, mean that it is unlikely that it will be possible to meet all demands in respect of transport services. Therefore, in the longer term the Government will seek a reduction in the cost to the State of the subsidisation of transport operations, predicated on a more effective and efficient public transport system being developed. To this end, the Government will strive to level playing fields, and will promote competition where appropriate.

The management, regulation, and control of operations

The management, regulation, and control of elements of the transport system may result in financial income (e.g. charges for inspections, or fines) or in non-monetary benefits (e.g. the reduction of casualties or preventing the abuse of monopoly power). It is proposed that a more direct linkage be established between the tangible and intangible benefits of these activities and defraying the costs of such management, regulation, and control.

This includes the management of the road traffic system to promote safety, security, and a higher level of service. In this case a closer relationship between expenditure and the revenue generated (e.g. the revenues from traffic law enforcement or insurance) should be established.

The Government will strive to be consistent in applying these principles, although it recognises that they may not all be applicable in all cases. Where it has to deviate, the Government will strive to make the financing transparent. In particular, all subsidies will be made transparent. In all cases of government financing, the return on investment (whether financial, economic, or social) of monetary and other resources must be justifiable.

1.3.5. Regulation principles

Regulation is in effect a form of intervention by the Government, and the intention is to regulate only where it is essential. The Government will apply different forms of regulation to ensure that its vision and objectives are realised - for example if it needs to regulate to ensure that desired services which would not be financially viable are provided. The form of regulation will differ according to circumstances:

- **Regulation of specific services provided under contract:** This is the most prescriptive form of economic regulation, in which the authority specifies in detail the service to be provided, and can impose a variety of sanctions if this is not met. This category includes commuter rail services and negotiated and tendered public transport services by bus rapid transport (BRT), bus or taxi.
- **Regulation of natural/de jure monopolies:** The Government has a role in controlling tariffs and in setting service and safety standards. Examples of this category are airports, ports, passenger and freight rail, and road and rail concessions.
- **Regulation of the operations of competing operators:** The role of the Government will be to ensure level playing fields and regulation for safety, leaving the operator as much freedom as possible to provide customer service as demanded in a competitive environment. In the case of freight transport, regulation will be in the form of the regulation of the quality (including safety) of the service, and not economic or entry regulation. In road-based public transport, the Government proposes a form of regulated

competition, which requires that operators function in a competitive environment but in a manner which complies with the objectives of the Government.

- **Regulation by contract:** This involves establishing a formal contract with an operator or operators to abide by an agreed set of rules. Instead of investigating and proving individual contraventions, regulation and enforcement by the Government involves establishing whether the contract has been adhered to.
- **Regulation by a single economic regulator for all modes of transport.** A Single Transport Economic Regulator (STER) will be established to ensure an efficient and cost-effective transport system, supporting economic growth and meeting the social goals of reducing poverty, unemployment and inequality. The STER regulation will indicate common principles across all transport modes, with objective, evidence-based justification required in instances of differential treatment. The STER will be finalised and formally established via its own legislation.

1.3.6. Human resource development

The human resource needs of the transport sector are multidisciplinary in nature. Neither the public nor private sectors possess the people, skills, nor technological knowledge to fully implement this policy framework, manage the system envisaged, and so achieve the vision for transport.

The Government is moving towards a culture where labour is seen as a resource and not merely as a cost of production. The Government will strive to promote good labour relations. Fair, humane, and acceptable labour practices, workers' rights, job creation and security, sound working conditions, health and safety, and welfare benefits of employees in the industry will be promoted, and where appropriate regulated. The Government will promote the participation and competitiveness of companies that are owned or controlled by historically disadvantaged South Africans in the transport sector.

The Government will assume some responsibility for capacity enhancement and improving the human resource pool in the transport sector. It will do this in accordance with the National Qualifications Framework (NQF), and in particular by:

- Promoting tertiary education in the transportation disciplines, at South African Universities and Universities of Technology, and forging partnerships internationally to provide more scholarships; and
- Promoting training and skills development where relevant through the Transport Education and Training Authority (TETA).

The Government however does not accept sole responsibility for human resource development and looks to the private sector to assist in meeting the challenge.

The Government will support research into, development of, and implementation of appropriate and innovative technologies to meet present needs, as well as to keep pace with the rapid development of advanced transportation and information technologies internationally. Towards this end it will continue its support of Centres of Excellence in specific aspects of transport.

1.4. POLICY STATEMENTS

The policy of the Government in accordance with these objectives and principles is set out on the pages below, grouped into the following areas:

- Principal modes of transport
 - Civil aviation
 - Maritime
 - Rail
 - Roads
- Public Transport
- Overarching transportation issues
 - Concurrent functions and devolution
 - Environment considerations
 - Funding
 - Integrated transport planning
 - Enabling industry and human resource development
 - Transport research and data

In each of these areas, the mission and strategic objectives for the function are set out, the key issues are highlighted, and policies for addressing these issues are stated.

2. PRINCIPAL MODES OF TRANSPORT

2.1. CIVIL AVIATION

Civil aviation is vital to international trade, investment, and tourism, as well as contributing to domestic transport, sports and recreation. Therefore, an efficient, reliable and sustainable South African aviation industry should be promoted, while maintaining control over international and domestic air transport services within a well-defined regulatory framework. This framework should be flexible enough to cater for changing needs and circumstances.

These changes are part of globalisation and include important matters such as the liberalisation of air transport, introduction of technologically advanced airport and air traffic management systems, greater emphasis on factors affecting the environment, protecting the interests of users of air transport services, and the increased need to regulate Remote Piloted Aircraft Systems (RPAS).

Aviation policy can be divided into two distinct areas, namely, domestic policy and international policy. The reason for this division is that the Government has full power of decision over domestic policies, whereas it has to consult or negotiate with other governments on international policies.

- Domestic policies include policies on air transport, aviation safety, airports and airspace; and
- International policies focus on international air transport and relationships with international organisations and other governments or groups of governments.

Air transport as a system has as its primary objective the safe and efficient transport of people and goods from one place to another. All the functions needed to perform this primary task together make up the air transport system. The fundamental components of this system are contained in an interactive modus operandi and these components can be considered as systems in their own right as follows:

- Aviation infrastructure – providing the facilities for the take-off and landing of aircraft, the loading and unloading of passengers and cargo, arranging sufficient space for aircraft movement including the required navigation, air traffic services and information services needed for completing flights safely;
- Air transport services – which include the system for the conveyance of people and goods in an orderly, safe and effective manner both domestically and internationally while using the aviation infrastructure and aircraft provided for that purpose; and
- Aircraft operations – which include the provision and maintenance of aircraft, their operation and other support services. This also includes the emerging commercial operations of RPAS.

Enabling and regulatory functions and requirements affect and govern all three of these components. There are two distinctly different sets of regulatory functions and requirements that affect the three subsystems referred to above, namely:

- Air transport regulatory functions and requirements - referring to policies, legislation and requirements to enable air transport and to satisfy air transport needs such as

infrastructure planning, licensing of air services, allocation of traffic rights internationally, economic considerations and monitoring of the financial practices and performance of air carriers; and

- Safety, security and environmental regulatory functions and requirements - referring to policies, legislation and requirements to achieve an appropriate level of safety, security and environmental compliance in the air transport system both on the ground and in flight. These also include accident and incident investigations and related matters specific to unmanned aircraft systems.

2.1.1. Mission

"To maintain a competitive civil aviation environment which ensures safety in accordance with international standards and enables the provision of services in a reliable and efficient manner at improving levels of service and cost while contributing to the social and economic development of South Africa and the region."

2.1.2. Strategic objectives

Civil aviation should promote the national interests of South Africa in general, and facilitate and enhance the expansion of trade and tourism. The strategic objectives in civil aviation are:

- To promote and enhance civil aviation safety, security and environmental compliance in all spheres of the civil aviation industry;
- To promote the National Interest of South Africa and facilitate the expansion of trade and tourism (including sport and adventure tourism);
- To further promote the development of an efficient and productive aviation industry, which is capable of competing both domestically and internationally;
- To ensure that civil aviation contributes meaningfully to the development of human resources, meeting basic needs and broadening all South African citizens' participation in the economy;
- To maintain an appropriate and cost-effective regulatory framework, ensuring safe, secure, environmentally friendly and reliable air services, capable of responding to changing circumstances;
- To facilitate the application of free-market principles as far as possible, relevant to economic decisions in all industries, which will apply equally to aviation services with a view to maximising consumer choice and satisfying consumer's needs;
- To meet the needs of all users of aviation-related services;
- To enable preservation of aviation heritage;
- To be environmentally and economically sustainable;
- To promote sound relations with other countries, groups of countries and related regional and other international organisations;

- To transform the aviation industry by broadening economic participation in the provision of aviation-related services;
- To provide for adequate consultative forums in well-defined communication system;
- To create an investor-friendly environment where adequate returns can be realised; and policy and regulatory certainty is provided; and
- To ensure the sovereignty of airspace is retained and continues to be vested in the state.

2.1.3. Policy statements

Domestic air transport

Issue

South Africa has revised and implemented its domestic air transport policy. As a result, the domestic air transport services market is economically deregulated. The salient feature of the current policy is that it is based on the principle of market competition.

Issues in the domestic air transport environment include the capacity and resources of the Air Service Licensing Council (ASLC) and the overlapping of functions between the ASLC and the International Air Services Council (IASC) on safety and reliability. In addition, there also remains ongoing obscurity around direct State involvement in the provision of air services, with three state-owned airlines competing with private airlines. The disruption of services and impact on consumers of an airline closing down also needs to be addressed.

Policy

The existing policy in respect of domestic air transport is confirmed. The principles on which the domestic air transport policy are based will continue to be:

- Paramount importance of safety;
- Market driven services;
- Users' interests; and
- Level playing field.

Ensuring a level playing field implies that all participants in the air transport market should be treated equally in terms of legislation, rules and opportunities. In order to meet the principle of equal treatment of all participants in the market, which could be jeopardised by the state ownership of airlines, the State reaffirms its intention to reposition its direct involvement in the provision of air passenger and freight services in what is meant to be a deregulated and competitive environment. The DoT will inform the process on the repositioning of state assets in the transport sector and the policy guidelines on competition and non-discriminatory treatment, and will consider their implications on the proposed action plan. The DoT and ASLC, in consultation with stakeholders, will continue to refine the details of the policy, as and when appropriate, within the framework of the accepted principles. In addition, in order to reduce the likelihood of future disruptions of services, the ASLC will strengthen financial entry requirements for domestic services.

The STER should assist in addressing the current challenges faced in regulating domestic air transport through introducing regulatory independence, predictability and stability. The degree of functional overlap and desirability of merging the air service licensing bodies to achieve maximum efficiency and effectiveness should be investigated.

The DoT will continue to raise awareness of the value of civil aviation as a contributor to the economy of the country and the region, and will promote the recruitment, training and integration of persons of all communities in this sector.

International air transport

Issues

The current framework for regulating the provision of scheduled international air transport services consists of the Chicago Convention and the Transit Agreement (both included as Schedules to the Civil Aviation Act), several other international conventions on aviation, the International Air Services Act, regional multilateral arrangements (Yamoussoukro Decision and SADC Protocol) and various bilateral air services agreements.

The Montreal Convention of 1999 and the Cape Town Convention are important instruments incorporated into South Africa's legal framework in 2007. The main purpose of these two conventions is to lay down certain uniform rules, norms and standards in connection with air carrier liability and to facilitate the financing of mobile equipment (including aircraft, engines and other equipment) respectively. In addition, South Africa is a member of various international organisations or groupings of countries. In most cases such organisations have specified goals and objectives, or have specified policy guidelines for members.

The globalisation of international air transport is manifested in the search for a more liberalised environment, commonly referred to as "open skies". This approach has the potential to create conflicts between the National Interest of the country, the interests of service providers in the air transport industry and the interests of the consumers of air transport services. It is also recognised that the National Interest of the country may not necessarily be the same as the interests of the suppliers, consumers, labour or the general public.

International air transport policy provides that certain categories of air freight services be allowed without any economic control, and that other categories in turn, be economically regulated. The enforcement of these policies poses a problem, in that certain foreign carriers could by-pass the provisions of the policy and gain advantage over South African carriers, resulting in a disadvantage to the country and its air carriers.

The provision of non-scheduled air transport services on scheduled routes also raises issues. The question of allowing non-scheduled services to operate on scheduled routes is one which mainly entails the criteria that should apply for allowing these services. Certain recommendations relating to the implementation of the current policy in respect of non-scheduled services have not been implemented as was originally intended.

Implementation of the cooperation between airlines, in various ways, in order to become global competitors has been widely seen over the last 20 years. Such cooperation includes alliances, equity exchanges, code-sharing, franchising, branding and a host of other forms. The most prominent of these is code-sharing. Certain co-operative arrangements involve more than marketing or operating issues, and therefore consumer and competition issues need to be addressed. Currently the South African industry lease-in as well as leases-out aircraft for use by

domestic carriers and foreign-based carriers respectively. In both cases, responsibility for compliance with minimum safety standards needs to be ensured.

Policy

The Government will support international cooperation in principle, within the framework of the strategic objectives of the international air transport policy.

The following broad objectives will continue to be the principles of the international air transport policy as set out in the International Aviation Policy Document and International Air Services Act, namely:

- To encourage competition in the market place;
- To safeguard, where appropriate, national interests; and
- To encourage South African participation in the industry.

In addition, international air transport should promote the National Interest of South Africa within a framework of the country's macro and micro economic policies, with emphasis on the following:

- Sovereignty of airspace should continue to be vested in the State;
- Facilitation and expansion of international trade, investment, tourism; and
- Promotion of the development of an efficient, productive and sustainable South African aviation industry.

Scheduled international air transport services should continue to be controlled and regulated within a well-defined regulatory framework addressing safety, security and environmental matters as well as economic and aero-political considerations, in order to ensure the provision of safe, orderly and reliable scheduled air transport services to and from South Africa. This regulatory regime also provides for the full implementation of the Yamoussoukro Decision and the current initiatives toward the establishment of a Single African Air Transport Market. A number of key policy issues need to be considered to ensure alignment with the principle contained in the Yamoussoukro Decision. These include

- Ownership and control of international air services in respect of both international and south African air carriers;
- Capacity and flight frequencies; and
- Tariffs for air transport services.

The DoT, in consultation with stakeholders, will formulate a policy on airline cooperation in general, and code-sharing in particular, within a framework of promoting competition and cooperation. Such a framework should be compliant with the applicable domestic law governing competition and the provisions of the Bilateral Air Services Agreements.

The establishment of the STER should be able to address the concern of economic inequality with international freight deregulation of certain freight categories being transported to South Africa by international carriers. The international air freight market will be deregulated as far as South African airlines are concerned.

The current regulatory provisions regarding foreign cargo airlines will be retained, and the deregulation of services by foreign operators to South Africa will only be considered by the Government if reciprocity exists.

The DoT, in consultation with stakeholders, will evaluate its current policy in respect of non-scheduled services and the implementation thereof, with a view to ensuring its compatibility with the broad policy framework. Such a policy should consider the potential for non-scheduled air transport services to complement the scheduled international air transport services and to stimulate tourism, investment and trade, and to developing new air links.

Non-scheduled international air transport services operated with large aircraft to and from South Africa should complement the network of scheduled international air transport services, especially with a view to stimulating tourism, investment and trade, and to developing new air links. To this end, the current regulatory framework addressing the various types of non-scheduled air services should be reviewed.

Non-scheduled air services for the purpose of conveying passengers, cargo or mail in combination between South Africa and countries bound by the Yamoussoukro Decision should be subject to safety, security and environmental regulation.

Aviation safety and security

Issue

The safety of civil aviation users is of utmost concern. The DoT through the South African Civil Aviation Authority (SACAA), is responsible for aviation safety and security. This includes the regulation of and control over pilot and other personnel licensing, aircraft airworthiness and licensing, air navigation rules and rules of the air, investigation of aircraft accidents and incidents, and so forth. The DoT's agency, SACAA, has the mandate of ensuring that the civil aviation sector complies with the Standards and Recommended Practices (SARPs) of the International Civil Aviation Organisation (ICAO) in the areas of aviation safety, security and the environment.

Policy

The DoT will continue with the application of its current aviation safety policies within the broad framework set by ICAO, with SACAA as the independent authority mandated with controlling, promoting, regulating, supporting, developing, enforcing and continuously improving levels of safety and security throughout the civil aviation industry including the operations of RPAS.

Institutional arrangements

Issue

SACAA is a financially self-sustaining, non-profit, government agency operating on the basis of the "user-pays" principle with responsibilities as prescribed by the Civil Aviation Act, as amended, including –

- Aviation safety oversight and regulation – This includes cooperation with and oversight of bodies or organisations designated by the Director of Civil Aviation;
- Aviation security oversight and regulation;
- Aviation environmental regulation;
- Flight inspection for air navigational aids and equipment, and
- Promotion of aviation development.

Policy

The separation of the function of investigation of accidents and incidents within SACAA will be undertaken.

SACAA should stay abreast of new technology and systems, and the extent to which new approaches and regulatory frameworks are required to enable and oversee the introduction of these.

Airports and airspace

Issue

As a result of the provision in Schedule 4 of the RSA Constitution that certain airports are a concurrent national and provincial function, there is a need for enhanced integration in airports planning.

The speed of modern aircraft, cost of air navigation infrastructure and procedures associated with the control of air traffic, dictate a seamless airspace with as much centralisation of control of the airspace as possible. Management of our airspace must, therefore, be conducted in a manner whereby the safest, most efficient service can be provided to the benefit of all users, and in the interest of the State and general public.

Economic regulation of Airports Company South Africa (ACSA) and Air Traffic and Navigational Services Company (ATNS) should continue to strike a balance between the commercial interests of the shareholder (i.e. a fair return on investment), and airport and air traffic services users and the general public, enabling a sustainable industry that provides efficiently priced infrastructure services.

Policy

The STER must be established, with civil aviation within its ambit and its mandate structured such that it is independent of undue influence, whether political or from industry or other stakeholders. The regulator will be tasked with independently fulfilling its mandate, which it derives from policy and legislation. In fulfilling its mandate the STER should assist in ensuring regulatory predictability and stability.

The national planning and integration of airports into the broader transport network, in respect of modal integration as well as in the context of the total air transport system, needs to be coordinated with the other spheres of government.

Airport development should be planned holistically in accordance with a structured National Airports Development Plan, which would support national, provincial and local community objectives. Such development needs to complement the airport system, and in some cases may even allow for competition within the system, to the benefit of the user.

Airport development and planning needs to be incorporated into the planning initiatives of relevant provincial and municipal governments, as an airport may influence provincial and municipal socio-economic development. All stakeholders, including the local authority, will be consulted in the planning of airports. Specifically, the planning for airports must be included in a Provincial Land Transport Framework which, in turn, would form part of the economic development plan for the province.

South Africa will continue to support and cooperate with ICAO in the implementation of Communication Navigation Surveillance/Air Traffic Management (CNS/ATM) in line with the Global Air Navigation Plan and Aviation System Block Upgrades.

ATNS will remain an independent state-owned public utility operating with a focus on providing quality services and operating on cost reflective tariff principles that would provide an efficient company to cover its operational and capital expenses, whilst earning a commercial return that is commensurate with its risk.

Strategies to attract foreign capital, technology and management skills to ACSA will be explored.

Airport infrastructure

Issue

The Government recognises the need to provide and maintain integrated, well-managed, viable and sustainable airport infrastructure to meet national and regional goals, taking into account environmental protection and resource conservation concerns. Infrastructure should enhance the competitiveness of the civil aviation industry and its service quality by ensuring the provision of safe, effective and efficient services, and meeting the accessibility, reliability and mobility of users.

Policy

The continuation of ACSA to provide and manage infrastructure at state airports is confirmed.

International airports in metropolitan areas should ideally be linked with a scheduled or similar rapid transit system, or even medium speed local or regional rail system.

The concept of an 'Aerotropolis' at airports should be supported, in other words the creation of a city in which the layout, infrastructure, and economy are centred on a major airport, following robust feasibility assessments determining the net economic benefit.

South Africa also has many smaller airports, many of which are not commercially viable or duplicate others that are in close proximity. The need for the development and management of these smaller airports will be investigated.

Public sector investment in the aviation industry will be related to not only market returns but also to broader socio-economic value, when making decisions around the development of new

or upgrading and extension of existing airports and the designation of additional, or the reduction of the number of, international airports or the allocation of public funding. In the determination of socio-economic value, positive externalities must be clearly identified, followed by a cost-benefit analysis that objectively demonstrates that the socio-economic benefits exceed the costs.

The environmental impact and sustainability of airports should be tracked and managed, especially the fact that overall network planning does not take into account minimising environmental impacts.

Aircraft operations and the environment

Issue

Local authorities have raised issues regarding the increase in noise pollution caused by aircraft in major areas of developable land and residential areas particularly around airports. This may be due to air service providers such as air cargo carriers using aircraft that would not comply with noise pollution standards in other parts of the world as well as the increasing number of flights.

Market based measures such as emissions trading schemes may be introduced to reduce carbon dioxide emissions from aircraft. This could potentially have a significant impact on developing countries such as South Africa.

Policy

Decisions regarding the implementation of measures for the control of aircraft noise should be taken in accordance with the ICAO's balanced approach to noise management.

Government supports the principle that Market Based Measures to reduce carbon dioxide emissions should respect the sovereignty of Contracting States, be implemented on the basis of mutual agreement and take into account the special circumstances and respective capabilities of developing countries, based on common, but differentiated responsibilities.

Training and skills development

Issue

There is inadequate co-ordination and integration in the training of personnel within the various disciplines of civil aviation. Human resources development needs to therefore be given more attention to meet the needs of the industry, especially in the technical field.

At present the training of aviation staff for administration and management is not being sufficiently co-ordinated and managed, consequently certain critical needs are not being addressed. Industry standards have not been developed in certain areas and there is also inadequate utilisation of certain limited training resources.

The participation of historically disadvantaged individuals in the aviation industry has remained limited. The collaborative efforts of the aviation industry thus far have not yielded the desired impact. This indicates that there are a number of factors inhibiting transformation of the sector, including lack of funding, lack of complete and reliable information on aviation careers, and barriers to market entry for historically disadvantaged individuals.

Policy

The DoT, in line with the Department of Basic Education curriculum development process and the Department of Higher Education and Training's policy proposals on the Skills Development Strategy for Economic and Employment Growth in South Africa and the 2014 White Paper for Post-School Education and Training, would encourage the public and private sectors of the aviation industry to develop and improve education and training systems through participation in the appropriate education and training institutions.

The DoT will work with TETA and aviation industry bodies to promote the functioning of the Aerospace Chamber in order to ensure the establishment of relevant national, regional, continental and internationally comparable standards, and funding for aviation training.

The DoT will liaise and work with other relevant government departments, and other stakeholders, towards the establishment of a training accreditation system for aviation in the broadest sense, with the aim of achieving a standard approach to education and training in this industry. The DoT will also, in partnership with the industry, participate in programmes aimed at the training of persons for the industry.

The DoT should formulate a national civil aviation transformation strategy for implementation in the aviation industry in line with the Aviation Sub-Sector Broad-Based Black Economic Empowerment Charter, working closely with other organizations in the aviation industry.

Technological development

Issue

There is no coordinated strategic approach to technology adoption, innovation, research and development in the area of civil aviation in South Africa (with the exception of JASC which focuses on aerospace design and manufacturing). Technology development and adoption, as well as new product, service and system innovations could generate growth and transformation opportunities for the sector in South Africa if effectively supported and coordinated.

In addition, the development and introduction of new modes of aerospace transportation has blurred the lines between aviation and space. These systems seamlessly traverse through the airspace en-route to outer space challenging the existing policy and legal frameworks governing the two domains.

Policy

The Department of Transport should co-ordinate a strategic approach to technology adoption and innovation needs of civil aviation, including emerging aerospace transportation, and promote the formation of partnerships with the private sector, innovation support agencies and academia to accelerate technology adoption and innovation, as well as undertaking priority research.

2.2. MARITIME

Maritime transport encompasses all forms of transport by sea, intermodal links and inland facilities and, in the South African context, has certain fundamental differences from other modes of transport. First, it caters almost entirely for the freight market, and offers no significant national passenger carrying capacity. Second, as it operates in an international environment, it is subject to considerable competition and economic pressures from foreign competitors.

Government recognises the strategic importance of the South African shipping industry and the benefits it bestows on the wider economy. The activities of the South African shipping industry as a fully-fledged exporter of services, and its future growth, considerably strengthen the South African balance of payments.

Maritime policy addresses maritime transport issues relating to economic principles, trade and cargoes, ship financing and registration, the operation of ships, ports, safety at sea, employment and training, and administration.

2.2.1. Mission

"To encourage and support the maritime industry in a manner that underpins and enables the achievement of the full potential of the ocean economy; deepens maritime awareness in South Africa; and contributes to the attainment of transport policy objectives, through:

- *Assisting in the creation and fostering of an enabling economic environment for the maritime transport industry which will allow it to compete with the maritime carriers of other nations;*
- *Ensuring safety of life and property at sea, and the prevention of pollution of the marine environment by ships and other sources;*
- *Ensuring the application of global labour standards and practices in the maritime industry;*
- *Contributing to the release of the full socio-economic potential of the maritime industry and to the modernisation of maritime traffic facilitation, infrastructure and shipping administration; and*
- *Promoting and giving effect to the aspiration to implement an overarching, integrated governance framework for sustainable development and growth of the ocean economy."*

2.2.2. Strategic objectives

The strategic objectives of maritime transport policy are:

- To foster the development and growth of the sector whilst maintaining a competitive climate wherever appropriate;
- To facilitate and enhance the expansion of international trade and tourism in general, and exports in particular;
- To ensure that economic decisions are, as far as possible, left to market forces, subject to general competitive principles applicable to all industries, with the view to maximising consumer choice, need satisfaction and job creation;

- To promote the development of an efficient and productive South African maritime industry capable of competing on international markets;
- To establish a sustainable funding mechanism for the growth of the broader maritime transport sector to facilitate strategic infrastructure development, and the building and acquisition of the ships and equipment necessary to meet the needs of the South African economy;
- To maintain control over maritime services within a well-defined regulatory framework that is flexible enough to cater for changing needs and circumstances and to ensure orderly, safe and reliable maritime transport services;
- To promote and maintain cooperative international relations with other countries and international organisations involved in maritime affairs;
- To ensure cost effective and efficient shipping operations; and
- To improve the collection, management and storage of information on the maritime economy of South Africa.

2.2.3. Policy statements

Trade and cargo

Issue

Shipping is essential for the promotion and preservation of trade links between South Africa and the world.

Terms of trade exercise considerable influence over the benefit the country receives from the maritime industry. Buying Free on Board (FOB) and selling Cost, Insurance, and Freight (CIF) allows the trader to nominate the carrier. The Government will encourage South African cargo interests to nominate South African carriers to carry their cargo, as a means to develop and grow indigenous ship capacities and capabilities.

Policy

The Government is committed to the promotion and development of coastal trade, and the continued maintenance of regular shipping services (and related infrastructural requirements) between South Africa and its trading partners within a well-defined regulatory framework.

The Government is further committed to laying a firm foundation for the strategic development and growth of the South African shipping industry within the broader objective of unlocking the full potential of the oceans economy. In this regard, cargo interests will be invited to innovatively support these efforts.

Ship financing, registration and the fiscus

Issue

South Africa needs a modern ships register that is efficient, which balances the interests of the nation, ship owners and seafarers in an internationally acceptable manner, and which accords

with principles of international law. The register should be attractive to both local and foreign investors, but be in no way a flag of convenience.

Policy

The Government will facilitate strategic investment in infrastructure development, ship-building and acquisition, and the required equipment to enable the growth of the maritime transport sector.

The Government will further promote interdepartmental and private initiatives to ensure that administrative, fiscal and legal inhibitors to the development of the South African register and its ancillary services are removed.

Fiscal aspects affecting shipping will be reappraised on an interdepartmental basis with a view to initiating changes where appropriate. These aspects include but are not limited to income tax paid by seafarers, ship owners and operators, exchange controls, and duties, and a review of the ranking of claims under the Admiralty Jurisdiction Regulation Act in line with strategic objectives of developing the sector and the international practices and conventions.

The operation of ships

Issue

South African ship owners do not enjoy the same competitive advantages as many foreign carriers. Both local and foreign owned vessels on the international trade routes to and from South Africa are free to carry South African coastal cargo, but those on international trades have the advantages of fuel at the international price, of seafarers being exempt from income tax, of no import duties payable on ships spares, and, in the case of many, of operation in low or no income tax regimes.

Policy

The disincentives facing coastal shipping in relation to other transport modes and foreign competition will be addressed at an interdepartmental level and removed where appropriate.

Cabotage options will be explored in the light of the new demand that puts more emphasis on the development of the oceans economy. An innovative framework for the possible introduction of cabotage protection legislation on an African continental or Southern African regional basis must be tested for its feasibility and economic impact as a means to invigorate the growth of the South African shipping fleet.

In order to promote the growth of South African shipping interests in the dry bulk sector, research will be undertaken to establish how other nations have successfully increased their market share in the shipment of bulk products and to seek acceptable ways of emulating this.

The scope for bilateral shipping agreements which will enable South African shipping interests to access markets which are currently inaccessible will be explored.

Bilateral shipping or taxation agreements will be negotiated with countries which levy freight taxes on non-resident ship owners so as to eliminate or reduce foreign taxes.

Safety at sea and administration

Issue

A cohesive, coordinated and effective policy giving due cognisance to internationally accepted principles of safety of life and property at sea as well as to particular requirements of the South African coastline and the trades which ply its waters, is a prerequisite to ensuring safe and orderly maritime transport.

There exists in international law and practice, a procedure of Port State Control (PSC) by which a state may conduct limited safety inspections of all vessels calling at its ports. PSC has demonstrably reduced the incidence of substandard ships calling at ports where it is rigorously enforced. Further measures such as mandatory ship reporting, long range ship tracking and identification are now legally enforceable under international law.

South Africa's full membership of the International Maritime Organisation, and the development of international maritime controls such as improved flag state vessel safety requirements and PSC, have however imposed greatly increased obligations and burdens on administrations.

The provision of satisfactory, well-prepared and well-equipped salvage capacity and capabilities, as well as marine pollution reaction capacity for the South African coastline, is strategically necessary and must be well-regulated and coordinated.

Policy

The Government will improve the performance of PSC as an effective means of deterring substandard ships and their owners from calling at South African ports.

Although the Government participation in salvage, directly or indirectly, will be discouraged where private sector participation is possible in order to prevent crowding out of investment of the private sector in the industry, the Government will stimulate investment from the private sector in the tug and salvage industry.

Maritime governance must be improved, such that there is a logical division and clear delineation of responsibilities between public sector role players, accompanied by appropriate financial resources and tools to execute mandates. Specific consideration should be given to maritime safety, marine pollution, navigation and hydrographic mapping.

The Government will undertake the feasibility of establishing a statutory National Navigation Authority under the auspices of the DoT.

Port operations and administration

Issue

Ports play a crucial and strategic role in the facilitation of seaborne trade. Ports are strategic assets serving the nation as a whole. The real estate of South African ports is currently owned by Transnet National Ports Authority (TNPA), and services within the ports are provided either by Transport Port Terminals (TPT) or by private enterprises. At present, TPT provides the majority of services, especially as it relates to containers and vehicles. TNPA controls access to the provision of ports services and manages the quality and safety thereof, and the Ports Regulator of South Africa regulates the tariffs and general ports management function of TNPA.

Concerns regarding the simultaneous ownership of commercial port services operations (TPT), which is the main port user, and the ownership of and control of the ports to provide services to all port users (TNPA) by the same entity (Transnet) have been identified.

The objectives of the transport policy, and of maritime and ports policy in particular, are:

- to ensure safe, affordable, effective and efficient port services;
- encouraging competition;
- improving infrastructure and service levels;
- encouraging private sector participation where appropriate;
- the promotion of BBBEE and SMME's; and
- Regional integration, trade and industrial development.

These objectives need to be supported by appropriate institutional arrangements and legislation to support port governance; a suitable regulatory framework; and strategic port planning. Separation of the functions (policy, regulatory and shareholder) performed by the State to promote efficiency in the management of the economy will be maintained and strengthened through the appropriate institutional and governance arrangements.

Policy

The South African ports and transport logistics environment must enable a reduction in the potential for and occurrence of abuse of market dominance, and provide appropriate institutional arrangements that will enable the competitiveness of South African ports within the Republic, SADC, the African continent, and at a global level.

The manner in which these conditions will be achieved are further developed in the relevant mode-specific policies, including the National Commercial Ports Policy (2002), and in legislation, including the National Ports Act (2005) and its future amendments.

The port authority will be independent of any port operating agency (or agencies), which may be achieved by various institutional arrangements, ranging from accounting separation to the physical separation of the ports Authority from Transnet. This will support more effective economic regulation on the part of the regulator, and will reduce the possibility for conflict of interest in the oversight of port services.

In order to promote low costs, high level of service, and shipper choice in the port operations, a competitive environment will be created by enabling greater participation of private enterprise in offering port services.

All stakeholders, including all levels of government, will be consulted in the planning of ports through the existing mechanisms provided for in the Ports Act and the National Environmental Management.

The DoT must create a conducive climate for the development of small harbours and the communities in which they are situated.

A framework for the sustainable development and management of inland waterways will be explored, with the aim of assessing their socio-economic viability as a means of facilitating and unlocking their broad economic potential.

Where concurrency of jurisdiction between different regulators and licensing authorities exists, Memoranda of Agreements should be entered into; outlining how multiple licensing processes and requirements will be sequenced and where possible harmonised. Inconsistencies in the legal provisions of statutes pertaining to port facilities must be resolved at the legislative level through interdepartmental consultation and cooperation. Harmonisation and simplification of multiple licensing approvals should be encouraged, without detracting from the legal mandates of each regulatory authority.

Employment

Issue

Seafarers are governed by international standards that are implemented locally. South African seafarers are currently not given the same incentives, protections and rights in labour law as seafarers of other nations.

The South African shipping industry and the broader maritime industry continues to experience a shortage of skilled and adequately certificated South African seafarers.

Policy

The DoT will liaise with other departments to promote the amendment of labour legislation to ensure that South African seafarers are afforded the same rights and protections as other global seafarers.

The shortage of skills and basic education in the maritime labour market is being addressed through a concerted programme of education and training to meet the growing demand for seafarers, and to improve the skills base of existing employees in the industry.

Education and training must comply with international standards adopted by South Africa as defined and required in the South African Qualifications Authority (SAQA) Act and the Standards of Training, Certification and Watchkeeping for Seafarers (STCW) convention. Whilst the DoT, through South African Maritime Safety Authority (SAMSA), will continue to be the competent authority administering the certification of seafarers in terms of the STCW, the Government will also work with and support the TETA in its functions:

- As the competent standard setting and accreditation body for training and education in the maritime industry, other than seafarers, under the SAQA Act;
- As a facilitator of education and training to ensure that the education and training needs of employees and the industry are met; and
- As a sponsor of maritime training and education.

2.3. RAIL

Rail transport involves the transportation of passengers and freight across South Africa by the rail network. The rail sector has suffered from severe underinvestment in infrastructure and inefficient operations, coupled with under-utilisation of the network, with the consequential obsolete rail infrastructure and rolling stock resulting in the significant loss of market share to road. Rail transport should be repositioned as the preferred land transport mode and backbone with which all other transport modes integrate. This will require strategic interventions to revitalise the rail industry.

2.3.1. Mission

“To develop an integrated railway transport system and sustainable, competitive rail transport industry that enables the safe, reliable, efficient, and effective movement of passengers and freight and stimulates the economic growth and social development of South Africa.”

2.3.2. Strategic objectives

The strategic objectives for rail transport in order to fulfil this mission are:

- To revitalise the South African rail transport industry, substantially increasing its performance, turning around its decline and maximising its utilisation;
- To provide safe, secure and value-for-money mobility for South Africa’s citizens and visitors in densely populated urban settings as well as in densely travelled long-distance corridors;
- To proactively facilitate shifting freight and passengers from road to rail by promoting rail as the mode of choice by providing an efficient, reliable and safe setting for passengers and freight;
- To establish a governance, institutional and regulatory framework for managing, operating and maintaining railways, as well as to encourage appropriate infrastructure and rolling stock investments through aligning funding sources with application of appropriate and new technologies;
- To encourage, introduce and regulate private sector participation in the rail sector where appropriate, to aid revitalisation, drive development and maximise growth;
- To provide an enabling environment for South Africa’s economic and social development including promotion of SMMEs, rural development and B-BBEE, creation of employment, maintenance and production capacity in the rail sector, and development of rail within appropriate environmental protection legislation; and
- To facilitate trade between South Africa and its partners, to enhance the competitiveness of South African exports in global markets, and to elevate the role of South Africa in rail transport in the SADC region and the rest of Africa.

2.3.3. Policy statements

Rail infrastructure

Issue

There is an urgent need for rail revitalization and infrastructure investment. The Government is committed to a comprehensive upgrade and renewal of infrastructure to position railways at the centre of South Africa's freight and passenger transportation. Investments in the rail sector will position it to compete effectively and sustainably in the local transport market and support exporters in global markets. Investments in infrastructure will focus on increasing rail's ability to compete in market spaces where it has potential to win back substantial contestable or rail-friendly freight and passenger traffic from other transport modes, particularly road, especially in high density corridors.

Policy

The Government will prioritise investment in track, rolling stock, and appropriate technologies in rail. A comprehensive upgrade and renewal of infrastructure and investment in world class high performance network and appropriate competitive technologies is required to enable the shift of freight and passenger traffic from road to rail.

The State will retain ownership of state-owned rail infrastructure and land associated with rail reserves. Any further provision of rail infrastructure for commuter transport will be determined by a combination of market needs and social considerations.

The provision and maintenance of rail infrastructure for bulk and general cargo freight transport, and for inter-city passenger transport, will be determined by market needs and commercial viability.

Rail network

Issue

Rail is an essential long-term component of both the freight and passenger transport networks. An inherently competitive high performance new rail network needs to be created, where possible by upgrading or re-gauging portions of the existing network, otherwise by new alignments, to respond to future social and economic imperatives and logistics pressures.

Policy

Planning for new or existing passenger rail services will be carried out on a local level (as included in the National Land Transport Act, 2009) and provision should be made for co-ordinating bodies. However, rail infrastructure planning and strategic decisions remain a national competency.

The DoT must support the revitalization of branch lines. The implications of a sustainable strategy where closures of branch lines are objectively justified must be investigated. Branch lines should be categorised as strategic and non-strategic to guide interventions and investment decisions, as branch lines that are not economically viable may still have developmental or strategic importance. A branch line strategy is required to outline appropriate interventions and

support for branch lines. The investigation should further develop a strategy considering both commercial and public service obligations on how to maximise the potential use of branch lines in rural areas to facilitate both passenger and freight transport.

The implementation of new railway lines will be considered where it is possible to serve both freight and passenger demand. Investments in high-speed intercity, heavy haul, double stacking, heavy intermodal and contemporary urban rail networks will be considered where viable. The development of such new railways should be actively encouraged.

New long-distance transportation infrastructure must be planned (e.g. long-distance trains) with lower energy intensity than road transport, provided that the proposed interventions meet the minimum distance threshold for the transport infrastructure to be cost-effective and to compete with other forms of transport.

Standard gauge will be considered as the first option in high density corridors, however, the appropriate gauge for each corridor should be assessed and confirmed through feasibility studies. South Africa will therefore have to coordinate carefully with the SADC region in its consideration and implementation of a wider track gauge, if required and feasible.

Categories will be introduced for passenger rail services. These passenger rail categories will be classified in terms of service distance, speed, station spacing, and target markets and range from metropolitan, suburban low speed commuter and inter-city medium and low speed systems, to inter-city high speed systems.

Funding

Issue

The Government will consider ways to attract additional capital to finance investment in rail. It is evident that sufficient funding in rail transport has not yet been tapped in South Africa. The onerous level of the investment required in achieving rail revitalisation is recognised and it is clear that existing resources will be inadequate to fund all requirements. The private sector therefore has a key role to play in rail transport. Economic regulation must create a conducive environment for private sector participation. The Government's role in creating an investment-friendly environment is to change business fundamentals and remove regulatory uncertainty so as to encourage and enable the private sector to play its role in the economy.

Policy

The Government will promote the participation of the private sector in investment projects, and limit its role to strategic investment that cannot or is undesirable to be undertaken by the private sector. The Government will provide for third party access to the national railway network, where appropriate, subject to regulation by the STER.

Private sector participation should be encouraged in building and operating freight transshipment/inter-modal interchange facilities, to facilitate the shifting of freight from road to rail.

An investment-friendly environment must be created and regulatory uncertainty must be removed through the establishment of the STER. Rail economic regulation under the STER must establish a legal framework that is clear, objective and neutral between public and private

operators. Tariff regulation must be fair, reasonable, provide efficiency incentives and give effect to the principle of reasonable return on investment.

Investment in rail infrastructure is critical for the revitalisation of the rail sector. Funding for railway investment in new long distance network infrastructure will be managed by Transnet under direction from the Government. Funding for railway investment in narrow gauge urban networks and wider gauge passenger lines such as high speed lines will be managed by the Passenger Rail Association of South Africa (PRASA). Both PRASA and Transnet Freight Rail (TFR) must invest in passenger and freight infrastructure and rolling stock respectively in order to meet customer demand. Private sector participation will also be enabled and encouraged in passenger and freight infrastructure and rolling stock where PRASA and TFR are unable to invest.

2.4. ROADS

South Africa's roads network plays a key role in passenger transport, freight movement and economic growth in South Africa. While road transportation is an important industry in the country's national economy, various challenges inhibit the sector's contribution to South Africa's economic and social development objectives. These challenges and the policies designed to resolve them are addressed below.

2.4.1. Mission

"To allow the development and management of a road network that is safe for all its users, is well-maintained and serves as a catalyst for social and economic development."

2.4.2. Strategic objectives

The strategic objectives to fulfil this mission are:

- To optimise current capacity and maintain and develop the road network;
- To improve road traffic safety, enhance road traffic discipline, protect the capital investment in the road system, and enhance administrative and economic order in the field of road traffic and transport;
- To optimise road transport law enforcement and promote and implement efficient, integrated, and coordinated road traffic management systems in the country, involving the role-players in all functional areas of road traffic management;
- To enhance the quality, productivity and cost-effectiveness of road freight transport services by providing transport customers with a safe, secure, reliable and cost-competitive system;
- To advance human resource development and expand participation in the freight industry through the creation and growth of entrepreneurial opportunities, training and skills development;
- To promote seamless integration and harmonisation of standards with neighbouring member states;
- To actively promote the movement of the appropriate type of freight from road to rail; and
- To encourage, promote and plan for the use of Non-Motorised Transport (NMT) where appropriate.

2.4.3. Policy statements

Road transport demand management

Issue

A comprehensive road transport demand management guideline does not exist. The guideline should guide all spheres of government in terms of the full set of measures that are available,

where and how they should be implemented - taking into consideration local site specific circumstances - appropriate thresholds for implementation and the roles of and linkages between transport demand management, land use management and transport supply management.

Policy

A National Road Transport Demand Management Guideline will be developed considering the following principles:

- Adopt the 'user pays' principle where appropriate, on the understanding that it will not be universally applied and the impact on vulnerable sectors of society will be considered in its design;
- Reduce the demand for travel by single occupancy vehicles;
- Diversify transportation options;
- Integrate land use and transport planning;
- Integrate NMT philosophy in spatial development strategies;
- Encourage more efficient Heavy Goods Vehicle (HGV) movements;
- Cover congestion mitigation in urban areas through a broad based approach that is aligned with National Land Transport Act;
- Incorporate mode switching (including a shift to pipelines where relevant) to encourage energy efficiency and environmentally sustainable development; and
- Address road to rail demand shifts and inter-modalism at the national level.

Traffic demand measures will be introduced in order to reduce freight volumes on the road network (e.g. bulk minerals, liquid, gas and agriculture products). Overloading Control Centres should be improved and the network should be expanded. The introduction of a heavy vehicle fee to cover the true cost of the environment and road infrastructure deterioration associated with road haulage will be investigated. It is noted that the introduction of any such heavy vehicle fee should be premised and dependent on the following: a) the completion of Transnet Freight Rail's infrastructure investment programme; b) a fee calculation that does not exceed the true cost of the negative externalities associated with road haulage; and c) accurate and correct pricing of rail freight charges.

Strategic investments in liquid fuel pipelines can be undertaken where desired or where the private sector is unwilling or unable to fund that infrastructure. Such investments will take place in a level playing field, and regulated in accordance with the energy policy and legislation of the Republic.

Road traffic safety regulation

Issue

The unacceptable traffic conditions on South African roads, and especially the high accident and casualty rates, still continues, although most of the strategies recommended in 1996 have been put in place.

Road traffic safety is not a function in itself, but rather the result of the efficient and harmonious operation of road and traffic related management systems, functions, and activities developed and implemented with the purpose of improving quality in road traffic.

After a critical review of the situation and the manner in which road traffic safety is currently managed, it is evident that a stronger approach will be needed to effect a more drastic improvement in road user discipline and reduce collisions.

Policy

A continued integrated road traffic quality management and monitoring approach will be implemented between the DoT and the provincial authorities, which, *inter alia*, addresses:

- Road traffic control;
- Legislation and adjudication;
- Training, education, and communication;
- Road traffic administration and information systems; and
- Road and traffic engineering.

The five pillars of safer roads and mobility, safer vehicles, safer road users, post-crash response, and road safety management and related policies addressed in the National Road Safety Strategy will be implemented.

The implementation and practice of regulation and licensing as per the Road Traffic Act (1996) should be emphasised, including the powers for impounding vehicles.

The government-run Road Accident Benefit Scheme for road accidents should be structured such that legitimate claimants derive due benefit and efficiency in the scheme's operation is assured. The focus of the scheme should be on the immediate assistance to the injured road accident victim. The scheme should provide defined, structured and affordable benefits to injured road accident victims and the dependents of breadwinners killed as a result of road crashes, with payments made directly to claimants and medical service providers. Fault should not be ascribed to the claimant or other persons involved in the road accident. The scheme should emphasise social security and be designed with the aim of assisting within the broader context of other social security covers.

The existing policy of economic deregulation of freight transport within South Africa is reaffirmed, subject to strict and effective regulation in respect of traffic quality and safety matters. The Road Transport Quality System (RTQS) will be revisited and extended in order to ensure full and proper implementation of the system as contemplated in the 1996 White Paper. The RTQS will regulate road freight operators contributing to overloading, accidents and un-roadworthy vehicles on South African roads, and include programmes to control speed, alcohol and drugs related offences, and the overloading of vehicles will receive special attention.

Existing vehicle roadworthy standards in the South African Bureau of Standards (SABS) 047 will be enforced. Roadside testing of the compliance of vehicles with critical roadworthy requirements will be increased.

The Government will continue to support industry-led self-regulation schemes through the Road Transport Management System (RTMS) to encourage industry to comply with regulations, improve road transport management, and minimise negative externalities.

The development of safer road infrastructure for all users should be prioritised.

Compulsory road safety audits will be undertaken and reviewed every five years in accordance with the policy intent of the Draft Non-Motorised Transport Policy.

Road traffic control

Issue

Traffic control (law enforcement) is a priority of traffic management due to a severe breakdown in discipline on the roads, which in turn leads to unsafe conditions and damage to the road infrastructure. The lack of discipline can only be rectified through strong proactive and reactive control actions. The effectiveness of the traffic control function must be improved substantially. Aggressive and effective enforcement, education, engineering interventions, and evaluation at all levels of government and from all relevant transport agencies, is required.

Some specific problems of traffic control have arisen in the road freight sector since the deregulation of road freight transport and the democratisation of the industry. The road to rail movement of the appropriate freight must be supported through more stringent overloading control of heavy vehicles. Effective law enforcement is essential to ensuring equitable competition in road transport. Current road traffic law enforcement relating to various aspects of freight transport is deficient.

Policy

The autonomy of the provincial and local governments with regard to traffic control, as well as the need for regional, provincial, national and international coordination and harmonisation, and for mutual support between traffic services, are emphasised. On the national level, coordination and harmonisation in traffic control will be achieved through the Minister and Members of Executive Council/Committee of Transport Officials (MINMEC/COTO) consultative structure. Provinces will facilitate the establishment of liaison structures between the provincial, metropolitan, regional and local levels of government. On the international level, the coordination and harmonisation is the responsibility of the national DoT, and will be achieved through the structures established for this purpose.

The principle that traffic control is primarily a transport and traffic function, will remain, and the existing emphasis placed by traffic departments on road traffic matters will not be reduced in terms of transport and traffic legislation and policy. Regarding areas of mutual interest, the legislation and policies controlling the various functions should be harmonised on the national, provincial and local levels.

There is a continued lack of trained professionals in the road traffic safety management disciplines and relevant the training and support will be provided to provinces, metropolitans and other local authorities in order to maintain a minimum level of skilled personnel.

A national performance incentive scheme for traffic authorities, with performance incentive funds linked to the achievement of certain pre-set standards and targets, will be introduced under the auspices of the appropriate consultative structure.

The Government will implement more effective measures to detect and prosecute corrupt activity on the behalf of law enforcement officials and complicit parties.

The feasibility and impact of legislating the configuration of Bakkies and trucks to promote safety (e.g. through the use of canopies and safety harnesses) will be investigated.

Adjudication of traffic offences

Issue

Traffic control is incomplete without the finalisation of prosecutions in courts or through administrative sanction. Enforcement must be supported by an efficient, transparent and expeditious adjudication process. The effective cooperation between the traffic control and adjudication functions is therefore an essential component of traffic management. In general, there is a positive relationship between the relevant government departments responsible for traffic control and adjudication. However, a number of notable problems are being experienced with regard to the cooperation between traffic control and the adjudication function. These problems are perceived to contribute to a lack of respect for the law prevailing among a large percentage of South African drivers. Innovative and realistic solutions to these problems, that will honour true legal principles while not compromising the effectiveness of traffic control in achieving its goals, are essential.

Policy

The DoT will liaise with the relevant Government department/s in regard to the following policy proposals:

- The decriminalisation of certain traffic offences to ensure that the process of adjudicating traffic offences will be brief, strict and decisive. The feasibility of decriminalising all traffic offences except reckless, negligent and inconsiderate driving, will be investigated;
- Standardisation of the requirements set by Attorneys-General in respect of the utilisation of technological aids in traffic control; and
- In respect of criminal offences, receiving support from the judiciary to overcome problems experienced with the prosecution of operators, the standardisation of fines and other arrangements made by the judiciary, and the possible introduction of dedicated special traffic courts as a general procedure, and the introduction of the compulsory attendance of traffic schools as a form of sanction.

Improvement of road user knowledge, skills and attitudes

Issue

A solution to road traffic problems can only be reached if the need to focus on the human aspects of road traffic is fully recognised. The improvement of road user knowledge, skills and attitudes as a road traffic management function is targeted as a priority, due to the inadequate emphasis

of this function in the past, and in view of the extreme importance of this function in achieving acceptable levels of road traffic quality.

Policy

Resources will be made available for the enhancement of road user knowledge, skills and attitudes. Enhancing road user knowledge, skills and attitudes is critical, including education within a formal educational setting from an early age, non-formal education in non-educational organisations, and informal education where media such as radio television, posters, and pamphlets are used.

All categories of road users will systematically be exposed to a purposeful programme targeted at enhancing their knowledge, skills and attitudes, at promoting their voluntary compliance with the law, and at developing community ownership and participation in enhancing road traffic quality. The driver de-merit system should be fully rolled-out.

Traffic control programmes will be supported by well researched promotional and motivational programmes, so as to create the necessary public understanding of their responsibilities, public understanding of the reasons for the existence of the law, and public acceptance and support for their control activities; to increase public awareness of the control programmes; and to enhance the effectiveness of the programmes.

Aggressive and effective enforcement, education, engineering interventions, and evaluation at all levels of government and for all relevant transport agencies, is required and will be managed.

The Government departments responsible for Education, Health and Adjudication of traffic control should become involved in road safety management and enforcement, as road safety is a co-responsibility that requires multi-disciplinary, multi-dimensional solutions.

Funding of road traffic management

Issue

The emphasis in road funding remains biased towards the provision and maintenance of the road infrastructure over road traffic management. Road funding requires a more balanced approach. Increased funding should be made available for the improved utilisation of existing resources, including road safety as a component within road infrastructure projects.

Policy

The respective roles and responsibilities of national, provincial and local governments in financing traffic management will be clearly demarcated.

A balanced funding policy in road traffic must be introduced. Spending priorities must be re-evaluated in the road and road traffic environment in view of traffic quality related road user needs, the adverse economic impact of inadequate levels of road traffic management, and the expected benefits of increased spending on traffic management.

Existing funding, budgeting and prioritising procedures will be adapted to ensure an increased availability of funds for traffic management purposes. Reliable procedures for determining the minimum and optimum requirements in respect of road traffic management resources will be developed and applied.

Additional and innovative funding strategies for traffic management functions will be investigated and introduced. This will include the allocation of a percentage of the roads budget for traffic control purposes. The introduction of a traffic management levy to vehicle licence fees and fuel sales will be investigated.

Fine collection procedures relating to traffic fines, penalties for non-payment, confiscation of movable property and demerit systems will be improved and fully implemented. The desirability of apportioning traffic fines and bails to road traffic management funds instead of fines accruing to individual authorities and general state or provincial revenue funds will be explored. For this purpose, dedicated national and provincial road traffic management funds will be considered.

Incident management

Issue

Incident management, including the rendering of medical rescue services after accidents have occurred, needs to be enhanced. The development, implementation and operation of incident management plans would improve the effectiveness and efficiency of the services rendered and minimise reaction times. Specific attention should be given to the procedures for the management of incidents where dangerous substances are involved. The necessary emergency systems to deal with the various types of dangerous material should be developed. Coordination and cooperation between the various parties concerned with providing road traffic related emergency services is inadequate.

Policy

Existing guidelines on the content of an incident management plan should be used by road traffic authorities.

The Government will implement an incident management system on all national roads.

The engineering discipline

Issue

The engineering discipline as a road traffic function involves transport and traffic engineering, operations management, and road vehicle engineering. The Government is cognisant of the need to apply sound engineering in the quest to improve traffic safety

Policy

Traffic safety will be addressed in a balanced manner embracing the Engineering, Education, and Enforcement functions.

The highest design standards on South African roads will be maintained in order to ensure road safety.

Traffic operations management will ensure road traffic quality and the orderly flow of traffic at acceptable levels of service. Road authorities will annually conduct a traffic quality audit of the road networks under their control, consisting of a systematic evaluation of all traffic quality and service level related aspects of the network.

International harmonisation of road traffic policy

Issue

Since the normalisation of the relationship between South Africa and the other African countries, the trade and tourism links between South Africa and these countries have been expanded tremendously. The result is a significant growth in road traffic volumes between the relevant countries, and a growing need for harmonisation of policies and legislation.

Policy

The Government will support the formulation and implementation of the SADC Transport and Communications Protocol. Every opportunity will be taken to base policies and standards on international norms, particularly those of the United Nations.

The Government will pursue harmonisation and integration of the regulatory regimes between the country and the rest of the region with a view to enhancing seamless cross border movements.

Road infrastructure

Issue

The development and maintenance of roads is an integral component of road infrastructure policy. The policy document recognises the equal importance of the development and maintenance of pavements. There is insufficient funding to maintain the existing road infrastructure, which has resulted in a significant and growing road maintenance backlog nationwide. This issue must be rectified as the road network is a critical component of the economy, providing access and mobility, facilitating economic and social linkages, and promoting economic development and stimulating exports. The continuing cooperation and dialogue between the Department and Local Government will be an integral part of the policy implementation.

Policy

Innovative ways of securing finance for the development of road infrastructure will be explored. These include Build-Operate-Transfer (BOT) or Fund-Rehabilitate-Operate-Maintain (FROM) contracts that enable the Government to obtain financing from private sources rather than the fiscus.

Other rural, inter-city and urban road infrastructure will be the responsibility of provincial and local authorities, and will be funded from a variety of tax sources.

Increased attention will be given to the provision and maintenance of the lowest order roads, both in rural and in urban areas.

The DoT will eliminate un-proclaimed roads.

Rural Transport Infrastructure will include all transport-related infrastructure, ranging from proclaimed district or feeder roads, to village-level roads and non-motorized infrastructure such as tracks, trails, paths and footbridges.

The system of classifying roads will be made more coherent. Factors such as traffic volumes and urbanisation should be considered in determining the appropriate classification.

Non-motorised transport

Issue

Non-motorised transport (NMT) should be promoted and developed with the aim of reducing carbon emissions, promoting a modal shift towards more sustainable modes, developing low-cost mobility options. NMT policy should recognise that rural NMT matters are different from those in urban environments. NMT policy should address the needs of pedestrians (currently the largest NMT mode), how to encourage people to cycle more, road safety matters, the role of NMT in rural areas and address the needs of persons with disabilities.

Policy

Adequate and sustainable funding for the promotion, implementation and development of NMT will be made available. NMT modes will be endorsed and the use thereof facilitated.

Infrastructure and maintenance standards will be developed and must recognise NMT as an essential mode of transport.

Traffic legislation must be developed to recognising NMT as an alternative mode of transport including being a feeder to other modes of transport.

Marginalised groups should be empowered including the promotion of SMMEs through NMT.

Measures will be developed and implemented in order to reduce the number of traffic fatalities of vulnerable non-motorised road users. Corresponding measures should be developed and implemented to ensure security for non-motorised road users.

The NMT will be integrated into the formal transport system through transport and spatial development strategies and planning, and be explicitly considered in land passenger transport.

3. PUBLIC TRANSPORT

Public transport is a shared passenger transport service which is available for use by the general public, which operates on fixed routes and for which a fixed fare is generally charged.

3.1. MISSION

“To promote a safe, reliable, effective, efficient, coordinated, integrated and environmentally friendly public transport system by developing norms and standards as well as regulations and legislation to guide the development of public transport for rural and urban passengers.”

3.2. STRATEGIC OBJECTIVES

The strategic objectives for public transport are:

- To promote safe and secure, reliable and sustainable public transport that addresses user needs, including those of commuters, learners, targeted categories of passengers (pensioners, the aged, children, pregnant women, persons with disabilities, tourists) and long distance passengers;
- To provide an appropriate and affordable standard of accessibility to work, commercial and social services in urban and rural areas and limiting walking distances to public transport to less than approximately one kilometre in urban areas;
- To ensure that public transport is affordable for all commuters in relation to their disposable income;
- To improve the attractiveness of public transport and NMT to commuters over the use of private car travel, with the aim of increasing the proportion of commuters utilising public transport and NMT instead of private cars;
- To provide universal, centralised information for all modes of public transport to assist public transport users and ensure that public transport is integrated in respect of information, scheduling, routing and integrated ticketing systems;
- To provide appropriate institutional structures, which facilitate the effective and efficient planning, implementation, management, funding, regulation and law enforcement of the public transport system, devolved to the lowest competent level;
- To ensure sustainable, streamlined and dedicated funding for public transport infrastructure, operations, and law enforcement at the lowest competent level;
- To foster a stable investment environment in the public transport industry;
- To promote and implement a system of competition for the market, related to public transport routes or networks based on Operating Licenses, concessions and negotiated and tendered contracts, with all public transport operators registered as formalised commercial entities, bound by the regulations pertaining to their Operating Licenses;
- To empower and assist disadvantaged operators to participate meaningfully in the public transport system;

- To ensure that operators become economically viable, requiring the minimum financial support; and
- To promote acceptable and fair labour practices in the public transport industry and foster manpower and human resources development.

3.3. POLICY STATEMENTS

3.3.1. Accessibility

Issue

High quality, safe, reliable, and effective public transport is not available to large proportions of South Africans. There are currently no policies or regulations to promote universal access. Public transport is also not sufficiently accessible to all categories of passengers, including persons with disabilities. Persons with disabilities constitute a significant section of the South African population and are often overlooked in public transport.

Policy

The approach to passenger transport should shift priority from private to public transport across all income groups and within the latter sector from the provision of primarily peak period commuter services to a fully-fledged public transport system catering for a wide range of passengers.

The needs of targeted categories of passengers should be identified by the responsible transport authorities or equivalent coordinated and accountable structures especially at metropolitan and local level, and these should be addressed in their public transport plans due to the reliance of these passengers on accessible public transport.

The roles and responsibilities of the DoT and the relevant Government department/s responsible for Education with respect to scholar transport as an important facet of public transport will be clarified and the appropriate socio-economic solution identified.

All contracted public transport vehicles and those that receive a government subsidy must be universally accessible so as not pose barriers to all targeted categories of passengers, inclusive of persons with disabilities. Incentives will be considered for government subsidised or licensed but not contracted public transport operators specifically to cater for the needs of persons with disabilities.

A continuous accessible path of travel is to be provided for all passengers, including persons with disabilities, to connect public transport with places such as social services and accessible housing.

The undertaking of Transport Universal Access audits are made compulsory as part of the Integrated Transport Plan process. All public and private transport operators will be required to conduct audits of existing infrastructure, fleet composition and operations against legislated minimum norms and standards. A plan with a clearly defined budget must be developed to implement the outcomes of the audit, for which budget is set aside to implement.

3.3.2. Rural transport

Issue

More attention needs to be given to rural public transport. The availability and quality of public transport in rural areas is deficient. Public transport policy must overcome the issues in rural transport of relatively poor connecting infrastructure in some provinces, large distances, sparsely populated regions, self-sustaining communities, dispersed demand and relatively low incomes, to offer sufficient public transport services to rural areas.

Policy

The national Rural Transport Strategy should be further developed into a rural passenger transport policy and implemented at all levels of government. The national Rural Transport Strategy should address the numerous rural transport challenges, including the lack of connectivity, inadequate scheduled public transport and the lack of sustainable funding mechanisms or dedicated rural transport infrastructure grants to fund rural transport projects. Introducing and incentivising the use of intermediate modes of transport should also be investigated (e.g. automated rickshaws, motorcycles and bicycles).

The need for and feasibility of a rural transport coordinating body to coordinate the activities of various stakeholders within the tutelage of rural transport and improve communications, the identification of rural transport programmes and the implementation thereof will be assessed.

Rural Transport Services will include services provided by operators of all modes of motorised and non-motorised transport and private users (e.g. head loading, private vehicular transport, animal transport and related animal transport facilities). The provision of Rural Transport Services depends largely on the availability of rural transport infrastructure, and as such the issue of infrastructure provision remains a priority.

The development and implementation of Rural Integrated Public Transport Networks (RIPTNs) will enable the provision of improved and integrated public transport infrastructure and services, and improve the accessibility, mobility and provision of reliable public transport services by integrating public transport services between modes. The funding of RIPTNs is also imperative.

3.3.3. Integrated ticketing system

Issue

The public service nature of integrated ticketing and the free rider problems associated with a single public transport provider bearing the cost of developing such a system necessitates government involvement.

Policy

The DoT should continue to drive, facilitate and assist in funding the integrated public transport ticketing system. Integrated ticketing should comprise of a single system with inter-operability across modes, facilitating participation by all banks and card-holders, including those who are unbanked.

The integrated ticketing system should incorporate electronic fee collection.

The operation of the integrated ticketing system should be a shared and contracted interaction between the authority, service providers and financial institutions.

3.3.4. Monitoring of performance

Issue

There is inadequate performance monitoring and impact evaluation in public transport. International experience shows that it is beneficial to translate policy objectives into measurable targets and performance indicators. Activities should consist of a combination of ongoing monitoring to track progress to inform policy adjustments, and evaluation to establish a rigorous understanding of policy impact.

Policy

The Government will specify key performance indicators in respect of the strategic objectives for public transport. The indicators will facilitate monitoring of the progress of provinces and local authorities in implementing the mission for public transport.

The Government will ensure the development of information systems compatible between the different spheres of government.

The DoT will guide the establishment of local, district, provincial and national commuter associations that are commensurately representative of public transport users at each government level. This is to mitigate the potential risk of inadequate service provision, unaccounted commuter needs and to encourage a viable consumer-based public transportation system by operator and user representatives. The evaluation of operators' performance will incorporate consumers' views and opinions.

3.3.5. Public transport funding

Issue

Public transport remains inadequately funded. Specific funding issues still being a priority include the following:

- The absence of dedicated funding sources for public transport;
- Lack of clarity on how rural public transport projects should be funded;
- Inadequate funds to ensure the implementation of long-term plans;
- The funding of public transport operations through multiple sources and channels; and
- The major imbalance between spending on infrastructure (high spend) and operations (low spend).

Policy

A dedicated funding source should be identified, established and implemented for the provision of public transport, identifying the optimal sources of funding such as road pricing, user-charging, the fiscus, or fuel tax.

To augment funds transferred from national level, fiscal powers for provincial and local governments in respect of their functional responsibilities must be sought.

The application of funds to transport improvements should be self-sustaining and replicable. To encourage this, the users of urban transport facilities should pay for all or most of the costs incurred within the limits of affordability. Where subsidies are required for welfare considerations or to promote public transport they will be applied through mechanisms that provide incentives for efficiency.

Funding for transport operations must be channelled through a single authority for offering the same service. A single authority therefore needs to coordinate the funds that any one operator receives for rendering public transport services.

3.3.6. Public transport authorities

Issue

The DoT should actively support the hitherto delayed creation of meaningful Transport Authorities, or equivalent coordinated and accountable structures at the Municipal, Provincial, or Mega-City/City Region level. Such structures should assist in the coordination of public transport between transport modes, and the planning, implementation and monitoring of public transport.

Policy

Contracting authority and regulating agency functions should remain with municipalities and, to the extent permissible under the RSA Constitution, be assigned to transport authorities or an equivalent structure in order to facilitate the integration of all public transport services, through negotiated and tendered contracts, to ensure the most efficient application of subsidies to the benefit of passengers.

Transport authorities or equivalent coordinated and accountable structures, in consultation with communities, must define public transport needs at affordable fare levels in order to identify and target recipients of mobility support. Having identified the mobility needs of communities in order to determine the demand for state supported services, transport authorities or equivalent coordinated and accountable structures should define routes and/or networks for negotiated and tendered contracts.

3.3.7. Planning and regulation

Issue

While the National Land Transport Act (NLTA) and its Minimum Requirements for Transport Plans provide a sound statutory base for transport planning, the following issues need to be addressed:

- The lack of capacity in provinces and municipalities to prepare adequate transport plans. This will be addressed through training and mentoring;
- The slow or inadequate implementation of transport plans. This is due to various factors including the shortage of funds and lack of capacity; and

- Transport plans are often idealistic and impracticable. Transport plans should rather focus on solving immediate transport problems.

In addition, the regulation of public transport services via the operating licensing system faces significant issues, including the following:

- Inadequate law enforcement;
- Lack of compliance with licenses and permits. A large percentage of minibus taxi operators do not hold the required operating licences or permits, or are operating on routes and areas not authorised by their operating licences or permits;
- Protracted permit conversion process. Although in terms of the NLTA the conversion process must end in December 2016, it had not been finalised in some provinces by June 2016. This process is reportedly leading to abuse as there is no effective way to validate permits and should therefore be ended;
- Lack of compliance with road traffic laws, leading to unsafe operating conditions. This is mainly due to inadequate law enforcement, but the fraudulent issuing of driving licences and roadworthy certificates is a major issue that should be addressed;
- Slow process of transformation. Renewed efforts are required to involve small and previously disadvantaged operators in the formalised public transport system; and
- Backlogs at the Provincial Regulatory Entities and ongoing problems with the Operating Licence Administrative System (OLAS).

Policy

As recommended in prevailing national public transport policy, Integrated Rapid Public Transport Networks (IRPTNs) should be established in large cities. This process has started but has been slow to implement. These networks should incorporate all modes of public transport services. Networks should also be established in appropriate district and local municipalities. The networks must form part of the municipality's Integrated Transport Plan (ITP).

Networks in the larger cities should incorporate and integrate the various modes of public transport in a layered fashion, and will include the following:

- Heavy rail services (PRASA) where applicable. Municipalities are responsible for service level planning for passenger rail on a corridor network basis in consultation with PRASA in terms of the NLTA. In Gauteng this is supplemented by the Gautrain services managed by the Gautrain Management Agency on behalf of the Province, which includes bus feeder services;
- BRT systems. These are typically operated by bus operating companies (BOCs) in terms of their contracts with the municipality, and are planned by the municipality in its ITP. Where there are cross-boundary services the municipalities will jointly take responsibility or agree that one of them will do so;
- Contracted scheduled bus services. The contracts managed by provinces at present in IRPTN areas will be taken over by the municipality. Planning for these services must form part of the ITP. In rural areas, provinces may continue to manage the contracts and take the initiative in areas where there are gaps in services;

- Feeder services. These will be provided as part of the BRT system or under contract by minibus taxi operators (MBTs), ideally after they have been formalised into companies;
- Unscheduled services (i.e. MBTs and uncontracted small bus operators, for the time being). These should ideally fill in gaps and not duplicate subsidised services. Such services should not focus only on passengers on lucrative routes as doing so increases the need for subsidy on less patronised routes; and
- Non-motorised transport (NMT). Municipalities should maximise and support NMT as part of their networks, both operationally and by way of providing infrastructure.

The Government will investigate the feasibility of the following interventions:

- The establishment of dedicated law enforcement in the public transport space, particularly to address illegal service providers;
- Providing assistance to the MBT industry to consolidate its thousands of individual operators, each owning one or two taxis, into companies operating fleets of taxis on behalf of shareholders. This has many advantages for government and the industry, including the ability to introduce cashless fare collection, contract with government, and form a limited number of contracts instead of multiple contracts with each individual. The consolidation of operators will also reduce the burden of regulatory control, enable rights to be awarded to a network of routes instead of individual routes, and improve the imposition, monitoring and enforcement of service requirements;
- Converting unscheduled services into contracted services over time based on sound ITPs, which may be either subsidised contracts or commercial service contracts, i.e. contracts where no subsidy is provided. This could be done more indirectly via conditions attached to the relevant operating licence;
- Light touch contracts for servicing the secondary network, where municipalities (or provinces in more rural areas) contract with companies controlling a fleet. In such cases, a network of routes with specific service requirements (e.g. hours of operation, specified routing) and quality requirements (e.g. vehicle age, maintenance standards and quality) can be awarded to the company for an extended period (e.g. 7 – 12 years). These should not be onerous service requirements (e.g. schedules) requiring extensive monitoring by government. The company should be able to allocate frequency to match the demand on the routes, and thus retain some control over service offered. This is important as the company will be paid from the fare revenue, not a fee/km, and will thus carry the patronage risk;
- Promoting automatic fare collection (AFC) systems as part of contracts or operating licence conditions. Some negative aspects of the industry are driven by the fact that the drivers, who are generally not the vehicle owners, are incentivised to pick up as many passengers as possible so that they can make their daily income target for the owner and still have enough left over to pay themselves a decent wage. This leads to inconsiderate driving, speeding and overloading. The elimination of the cash exchange between the driver and passenger will act to reduce these problems;
- The Taxi Recapitalisation Programme in terms of which allowances are paid to taxi operators should continue to be investigated with a view to re-energising it and seeing that it is substantially funded (with a far higher allowance than at present) so that MBT

companies and/or operators are able to re-fleet and meet maximum vehicle age requirements. A decent fleet is an essential part of quality public transport; and

- The establishment of priority lanes on the road network for buses and taxis will be investigated to reduce travel times and encourage the use of public transport.

4. OVERARCHING TRANSPORTATION ISSUES

4.1. CONCURRENT FUNCTIONS AND DEVOLUTION

The White Paper is guided by the RSA Constitution and national development principles, which envisage the devolution of power to the lowest competent level of government. Competency relates to whether the relevant level of government has sufficient capacity to administer the matter to be devolved. Devolved transport powers and functions may either be exercised exclusively or concurrently with a higher level of government.

4.1.1. Mission

“To promote the devolution of transport functions and powers to the lowest competent level of government where functions and powers would most effectively be administered locally, and where the municipality has sufficient capacity.”

4.1.2. Strategic objectives

The strategic objectives to fulfil this mission of devolution are:

- To instil a clear understanding of the transport functions and powers of each level of government to reduce uncertainty in relation to responsibilities and requirements; and
- To capture the advantages of devolution, facilitate improved transport services, and bring government responsibility and public accountability down to the site of the citizen interface.

4.1.3. Policy statements

Institutional structures

Issue

Although the required policies and legislation exist to facilitate the devolvement of transport functions to the lowest competent sphere of government, this has not taken place. Devolution of transport functions has been partial and limited. In order for devolution to be implemented more widely, pragmatic permutations of devolution need to be considered and clear principles to guide devolution are required. Decisions related to the creation of structures and the assignment of functions need to be timely.

Policy

The principle of subsidiarity and devolution of transport functions, powers and duties, including the contracting authority and regulating agency functions, to the lowest appropriate level of government, where capacity exists, is confirmed. Such devolution could involve the creation of a Transport Authority, or an equivalent coordinated and accountable structure, at a Municipal, Provincial, or Mega-City/City Region level.

A strategy for implementing devolution will be developed. Devolution is based on the premise that local government is the sphere most able to manage and integrate public transport with

other infrastructure and services. However, given the complexities of the different transport modes, the strategy should be modal specific and aligned with the relevant statutory provisions. It should clearly prescribe the preparatory work that metropolitan authorities need to undertake before any modal function is devolved. The devolution of responsibilities must be supported with appropriate capacity development. Continuing cooperation and dialogue between the Department and Local Government will be an integral part of the policy implementation. The relevant agencies and departments must take responsibility for ensuring devolution is implemented.

The Transport Appeal Tribunal (TAT) must be enabled to effectively deal with the major backlog in public transport operating license dispute cases and to assist the industry with problems being experienced at the provincial level.

4.2. ENVIRONMENTAL CONSIDERATIONS

4.2.1. Mission

“To promote awareness and understanding of transport-related environmental issues, increase participation in environmental management, address environmental problems at all levels of transport, and ensure compliance with standards, monitoring and reporting that demonstrate a tangible improvement in the sustainable use of natural resources.”

4.2.2. Strategic objectives

The strategic objectives to fulfil this mission are:

- To address environmental impacts and corresponding mitigation measures in the planning, construction and operation of transport related infrastructure;
- To integrate environmental sustainability in modal policies to the extent that such policies may have an impact on the environment;
- To align environmental aspects of modal policies with existing environmental and related legislation and policies;
- To promote environmental protection and resource conservation, with specific reference to all aspects of transporting dangerous substances and goods;
- To promote fuel efficiency, cleaner fuels and the adoption of fuel-efficient modes of transport;
- To promote a compact urban form and eco-mobility in land use and transport planning; and
- To reduce the impact of transport on climate change by promoting low-carbon modes of transport in the design of transportation systems.

4.2.3. Policy statements

Promote environmental protection and resource conservation

Issue

There is currently little consideration given to environmentally sustainable transport practices within transport policy. South Africa, in line with the developed world, will have to adapt its economic growth policies to the requirements of environmentally sustainable development. Apart from any other considerations, this will be necessary to assure continued survival in the global economy. The planning and implementation of an environmentally sustainable system is required in the transport sector.

From the interdependent relationship between economic growth and transport operations, it follows that infrastructure should be provided and used in a way that is consistent with sustainability.

Further, while classification systems for dangerous cargoes have been implemented, there is no comprehensive integrated system for the control of the movement of dangerous substances and for response to incidents.

Policy

Planning for the provision of infrastructure will take place within an integrated environmental management approach, and will include *inter alia* the performance of Environmental Impact Assessments (EIAs). Among the issues to be considered are environmental impacts, energy conservation, the transport of dangerous materials, and the conservation of scarce infrastructure construction materials.

Low-carbon modes of transportation should be prioritised in the design of transportation systems in urban areas. Public transport should promote minimum international standards on environmental issues. The design should be premised on avoiding and reducing travel demand, shifting to more economic and environmentally friendly high-occupancy modes of transport, and improving energy efficiency through technological measures. The environmental friendliness of rail must be leveraged and advanced consistent with the Road Freight Strategy.

Fuel efficiency measures for public and private transport should be promoted and implemented, and the use of fuel-efficient modes of transport, including BRT and Bus Quality systems, trains and NMT (where practical) in urban areas should be adopted.

New long-distance transportation infrastructure should be planned (e.g. long-distance trains) with lower energy intensity than road transport, provided that the proposed interventions meet the minimum distance threshold for the proposed transport infrastructure to be cost-effective and to compete with other forms of transport.

The negative impact on biodiversity (including wetlands) and air quality should be reduced in the design, construction or operation of inter-city transportation systems and infrastructure, including highways, pipelines, and railways.

Unrestrained car usage and subsidised car parking will be contained through the application of policy instruments which could include strict parking policies, access restrictions for private cars, higher licence fees, road pricing or area licensing. Restraints on private car usage will however not be implemented independently of improvements in the quality of public transport

Land use planning processes should emphasise compact urban form, reduce urban sprawl, and minimise environmental degradation and loss of agricultural and recreational lands around urban areas.

Land use planning processes should encourage mixed use developments to provide places of work close to home and the designation of high density development areas along transport corridors to make public transport feasible and accessible, while taking into account potentially adverse environmental and health impacts emanating from poor air quality associated with the close proximity of residential development to transport activity.

Strategies promoting costing of negative externalities and the allocation of responsibility to vehicle types must be emphasized and implemented, premised and dependent on the following: a) a better functioning rail freight system; b) an accurate costing of the negative externalities associated with road freight; and c) accurate and correct pricing of rail freight charges.

The environmental impact and sustainability of airports and seaports (e.g. the Durban Port Digout mega project) should be emphasised, especially since overall network planning currently does not take into account minimising environmental impacts.

The mitigation of noise pollution and aircraft emissions should be emphasised and an implementation strategy should be developed in line with relevant national and ICAO standards.

Punitive measures and penalties (e.g. polluter pays) must be implementable and effective, and should be balanced with incentives (e.g. subsidies on alternative fuels such as compressed natural gas and public transport).

A greater energy awareness will be fostered in both transport planners and users through public awareness programmes, differential fuel prices, etc. In this regard, close cooperation between the Government departments responsible for Energy and Finance and the DoT is essential.

Strict government regulations will be imposed to control the transportation of dangerous materials and substances, so as to reduce the chances of disasters occurring, and to place measures in place to deal with incidents immediately and effectively.

The harmonisation of emissions and air quality standards with neighbouring countries will be completed and enforced.

Where practical, consideration should be given to empower the Cross Border Road Transport Agency (CBRTA) with the mandate and powers to enforce cross-border vehicle compliance with regional environmental standards called for in the SADC Protocol on Environment and Natural Resources Management.

4.3. FUNDING

Inadequate transport infrastructure investment in South Africa is an impediment to meeting the population's transport needs and the necessary enterprise development needed to achieve key economic goals and future economic growth. It is thus critical to establish effective funding mechanisms to support the successful implementation of transport plans and policies and the closing of the transport infrastructure gap.

4.3.1. Mission

“To improve the institutional, policy and regulatory environment in the transport sector so as to enable investment in transport infrastructure and operations from both public and private sources, and realise the desired efficiencies, improve infrastructure delivery and contribute to economic growth and employment creation in South Africa.”

4.3.2. Strategic objectives

The strategic objectives for funding are:

- To ensure adequate, equitable, efficient, sustainable and dedicated financing and funding for infrastructure, operations, and law enforcement;
- To foster a sound financial base for transportation infrastructure and service provision; and
- To promote private sector participation in the transport sector, to both ensure funding of infrastructure and to obtain skills from the private sector.

4.3.3. Policy statements

Foster a sound financial base for transportation infrastructure

Issue

It will not be possible to sufficiently improve and maintain transport infrastructure without appropriate funding sources. Current fiscal constraints are impeding the development of certain critical infrastructure. In general, current funding levels are inadequate for new infrastructure, covering the whole spectrum of infrastructure from a national level to a local level; the maintenance of the existing infrastructure, the upgrading of the existing infrastructure where there are capacity constraints or unacceptable service levels, and intermodal facilities. The State does not have sufficient capacity to solely finance and implement transport investment plans on the required scale and on time and so private funding will need to be sourced. A combination of both state and private funding through a joint partnership, which is the case for a growing number of infrastructure projects, may also be a feasible option.

Policy

Continued attention will be given to justifying greater appropriations from the fiscus for transport infrastructure, and where appropriate and possible, infrastructure will be funded through user charges and/or investments by the private sector. The combination of both state and private funding through a partnership will also require continuous attention given the growing use of

these hybrid funding models. There will be a continuous focus to seek and develop new sources for financing of transport infrastructure.

Government entities should be empowered to make use of the full range of funding and financing mechanisms available to them, including value capture and hybrid funding models. Guidelines should be established for their use.

Subject to market discipline, the necessary funding for the establishment and maintenance of transport infrastructure will be arranged through an appropriate model.

In relation to the model of public ownership and operation by state departments, the conventional approach, while still a viable option for socially necessary infrastructure, is decreasing in application for higher order infrastructure because of proven efficiency gains from less bureaucratic and more commercial approaches.

The model of public ownership and operation by a SOC or agency, such as ACSA or South African National Roads Agency (SANRAL), has been found effective in infrastructure provision and maintenance. Concessions for private financing, construction, and operation, such as the BOT agreements concluded for some major national roads, represent a method for addressing fiscal constraints within such a model.

The model of private ownership and private operation involves the transfer (sale) of ownership or construction of new infrastructure and the transfer of responsibility for performance to the private sector. Private sector participation may not be desirable or feasible in the provision of transport infrastructure in all modes.

Since the various types of infrastructure differ in their suitability and economic viability for cost recovery through user charging and/or direct recovery of investments by the private sector, distinction will be made between:

- Infrastructure for social access, requiring government funding or "subsidy";
- Infrastructure suitable for indirect user charging, e.g. fuel levies, license fees, tax on fares; and
- Infrastructure suitable for private sector investment and partnerships involving both public and private sector investments, e.g. toll roads.

A political, legal and financial environment conducive to private sector participation must be created in the transport sector.

The DoT must provide a clear and comprehensive list of transport infrastructure projections in the pipeline, ranked in terms of priority, to promote and clarify opportunities for private sector participation.

The procurement process of awarding contracts must be clear, comprehensible and transparent, and conducted in a timely and efficient manner.

Transport funding by Government must be equitable between modes, taking into account, among others, the degree of cost recovery in each mode, the Government's social responsibilities and development goals, the suitability of modes and the associated level of demand for each mode in the relevant areas.

Transport investments should be justified in terms of quantum and focus area by research and data evaluation, the cost of which should be appropriate and commensurate to the value of the investment.

4.4. INTEGRATED TRANSPORT PLANNING

Integrated transport planning has experienced limited success and difficulties in implementation, in that integrated transport planning is subservient to prioritised public transport and associated planning, and land use and transport integration is missing from current practices. An integrated transport planning framework should be established that integrates planning for infrastructure and operations across modes for both freight and passenger transport, integrates the transport system with other sectors, and fosters integrated transport planning between the DoT and other departments, across and within the three spheres of government using shared data and information.

4.4.1. Mission

"To provide integrated, well-managed, viable and sustainable transport planning and infrastructure meeting national and regional goals in the 21st century, in order to establish a coherent base to promote accessibility and the provision of safe, reliable, effective and efficient transport services"

4.4.2. Strategic objectives

The strategic objectives for integrated transport planning are:

- To establish sound integrated intermodal coordinating structures and promote the provision of seamless intermodal services;
- To find a practical and reasonable solution that leads to an equitable distribution of infrastructure capital, management, operating and maintenance costs across transport modes;
- To encourage more urban land use densification, correcting spatial imbalances and reducing travel distances and times for commuting to a limit of about 40 km or one hour in each direction;
- To promote a strong, diverse, efficient and competitive transport industry within the limits of sustainable transport infrastructure;
- To enhance the competitiveness of South African industry and the quality of life of its citizens by providing protection of consumers, safety and security, and meeting accessibility, reliability and mobility needs by providing transport infrastructure to serve the purpose;
- To ensure that the transport needs of persons with disabilities are taken into account when new infrastructure and operations are planned and designed;
- To advance human resource development in the provision of transportation infrastructure and management of operations;
- To promote seamless integration and harmonisation of standards with neighbouring member states; and
- To develop a comprehensive transport data and information system to inform integrated transport planning decisions.

4.4.3. Policy statements

Establishment of coordinating structures

Issue

The responsibility for infrastructure used by different transport modes is fragmented between different government departments and parastatals and also between different levels of government. The absence of a structure or mechanism for the coordination of the strategic planning for this infrastructure can lead, and has led, to "mis-matches" in infrastructure provision, inefficiencies in operation, and duplication of facilities with consequent sub-optimal utilisation. The country, with its scarce financial resources, cannot afford such a situation and it is necessary to bring together public sector bodies (at all levels) and private sector interests (including the construction industry) in an attempt to optimise resource usage as well as the transport infrastructure system. This structure will need to be cascading in nature to address infrastructure needs at the three levels of government as well as integrating the various elements of transport planning and infrastructure. Effective infrastructure databases at all levels are essential elements of such structures.

Policy

A process with appropriate structures to coordinate planning to meet identified needs will be established to adequately respond to these needs.

At the national level, the DoT will establish a forum to improve the coordination of infrastructure planning for all modes of transport. The MINMEC structure will promote coordination across national and provincial functions, whilst structures will be developed to provide for coordination between the DoT and Transnet. Provinces will be encouraged to develop and participate in structures for provincial/local authority coordination.

Transport planning by various government agencies and transport-related SOCs must give effect to the vision established by the national department and should not conflict with that of the relevant provincial departments and municipalities.

Seamless intermodal services

Issue

Importers, exporters and the local business community need seamless intermodal services if the key thrusts of the national transport policy are to be met.

Policy

The Government will encourage integration, intermodalism, and partnerships between the modes, provided this does not result in monopolies. The Government will not enforce intermodalism artificially, but will facilitate intermodalism where possible by supporting the development of intermodal interchange infrastructure, and by supporting the establishment of information systems.

There will be a national approach to a total freight transportation system, involving government, customers and users, owners and operators working together. Modal, spatial and institutional

integration must be encouraged. To remain customer focused, the freight transport system must be responsive to changes in customer demands, logistical developments and market forces.

Coordination between authorities and operators

Issue

Within South Africa's borders, there is currently insufficient coordination between authorities and operators to optimally achieve policy goals. For instance, in the regional context, increasing volumes of freight are being moved by road and rail across South Africa's border to and from neighbouring countries in the southern African region. This has brought with it a host of new problems. It is necessary to harmonise vehicle specifications, road user charges, and transport and traffic legislation, clearing procedures at ports and border posts, and other relevant aspects.

Policy

In order to promote coordination and interactive participation in the establishment of an acceptable, effective freight transportation system, formal consultative forums and working groups with a clear directive and coordination between government, public and private sectors, operators, stakeholders and users must be established and assisted to function effectively in order to ensure regular stakeholder engagement.

In view of the major role of Transnet in freight transport, a close, interactive and formal working relationship will be established between the DoT, the Department of Public Enterprises and Transnet to promote coordinated planning, management and operations with regard to freight transport.

The Government will work through regional transport structures including SATCC and Corridor Working Groups to ensure effective road transport law enforcement and management of cross-border routes to ensure compliance with legislation and promote equitable competition in road transport. It will pursue a harmonised road freight transport system in Sub-Saharan Africa. It will work with the South African Revenue Service (Customs and Excise) to facilitate trade and freight movements across borders and at ports and airports.

The DoT should seek to harmonise strategies with SADC countries in order to improve safety outcomes, reduce red tape, encourage trade, and minimise infrastructure and environmental degradation

The One-Stop-Border-Post (OSBP) concept should be fully rolled out.

Land use and spatial development

Issue

Land use and transport development are as yet not integrated due to a fragmentation of responsibilities for the administration, planning and regulation of the various aspects of land use, infrastructure, operations and regulations. This has led to human settlements still being placed far from job opportunities, disrespecting of urban edge and urban sprawl, resulting in continuous long commuting distances and times, low occupancy levels, high transport costs and low cost recovery. Densification of passenger transport corridors and routes should be supported at all levels of government.

Policy

Structures (in all tiers of government) should be established to facilitate integrated planning of transport infrastructure, operations and land use development in a coordinated manner.

Regulation of land use development at local level so that development approval is subject to conformity with integrated land use and transport statutory plans within an agreed development planning process.

Land use frameworks, requirements, guidelines and policies must channel development, particularly employment activities, into public transport routes, corridors and nodes.

Land use planning processes must ensure that the development of mixed use developments are encouraged in order to provide places of work close to home and the designation of high density development areas along transport corridors to make public transport feasible.

The establishment and proper functioning of the Inter-Modal Planning Committee and Land Transport Advisory Boards should be completed in order to ensure proper integration between modes and with land use planning.

Development priority will be given to infilling, densification, mixed densification and land use and the promotion of development corridors and nodes with public transport priority.

Decentralisation which disperses employment activities must be discouraged, except in specific cases where it is favourable in terms of decreasing total transport costs and travel times on the basis of an integrated land use/transport plan.

Containment of urban sprawl and suburbanisation beyond the urban edge must be addressed through provincial spatial development plans and strictly adhered to.

Maintain and develop the transportation infrastructure system, and prioritise its development in terms of needs

Issue

A fundamental consideration in reviewing the policy on transport infrastructure is its appropriate "size". This requires an answer to the question of how much infrastructure, and what type of infrastructure, the country needs. There is a need for the redefinition of national networks, linked to local economic activity and demographics, and also Southern African networks.

Policy

A more sustainable approach to the provision of transport infrastructure is required, shifting from accommodative, supply-focused transport approaches to a more balanced approach including pro-active land use and transport demand management as part of the policy package. A strategy on long term and integrated planning consistent with the needs of the country will be developed. The DoT will play a more prominent role in initiating relevant decision-making processes and forums on urban and rural development and land use.

Selected ports will be elevated to the status of "hubs" in keeping with international trends, and properly equipped to maximise South Africa's participation in the global economy. Furthermore international airports will be subject to studies in order to promote the implementation of the

“Aerotropolis concept”. These will be identified on the basis of their strategic positions and their economic and financial viability, in consultation with the relevant stakeholders.

In some cases, where transport is able to act as a leading sector in the stimulation of economic development, the Government will take the lead in establishing necessary transport infrastructure and promoting the participation of other public and private sector institutions in order to facilitate and accelerate the development process. The development corridor approach, which involves national, provincial and local activities, will be adopted wherever possible, but in a rational manner to ensure efficient and sustainable agglomeration of activities.

Decisions on infrastructure investment will be made on the basis of multiple criterion prioritization evaluation system, to best meet the sometimes conflicting policy goals and objectives.

The international development of advanced technologies will be monitored and those technologies deemed to be appropriate will be incorporated into the transport infrastructure and operational system.

NMT will be integrated into the formal transport system through its inclusion during transport and spatial planning and prioritisation.

A comprehensive management information system, based on indicators and models that enable demand to be quantified, and which will make requisite data available to planners, will be developed, in order to promote an integrated transport management approach.

Enhance the quality of life of all citizens of South Africa through transport infrastructure and operations

Issue

In accordance with the overall goals expressed in this White Paper, the provision of infrastructure must contribute to the enhancement of the quality of life of all citizens.

Policy

Performance indicators will be developed for different types of infrastructure and levels of service to measure the extent to which "quality of life" issues are being met in the provision of transport infrastructure and to adapt where appropriate. Inventories of requirements and indicators will be compiled to allow progress to be monitored on a regular basis.

Clear guidelines on acceptable, equitable and efficient public involvement processes will be established.

Persons with disabilities have often been overlooked in the design of transport facilities. To improve quality of life, the mobility needs of persons with disabilities will be integrated in the design of new infrastructure, especially in urban areas and in public transport interchange facilities.

The provision of safe and adequate lay-by and overnight facilities for long-distance drivers on primary roads will be promoted.

NMT modes will be endorsed and the use there-of facilitated. Infrastructure and maintenance standards will be developed in order to recognise NMT as an essential mode of transport

Marginalised groups be empowered including the development of small enterprises in support of maintaining and servicing of NMT facilities, vehicles etc.

4.5. ENABLING INDUSTRY AND HUMAN DEVELOPMENT

Stimulating and enabling a vibrant, robust, diverse and competitive industry is important for South Africa's economic development. This needs to be underpinned by equal access and fair treatment, with special support measures for historically disadvantaged members of our society.

4.5.1. Mission

"To promote a strong, diverse, efficient and competitive industry and advance human resource development."

4.5.2. Strategic objectives

The strategic objectives for enabling industry and human development are:

- To create and maintain a level playing field for transport infrastructure and services providers;
- To better understand and help overcome barriers to entry and the successful operation of SMMEs, black and women-owned enterprises in transport, in a manner that is grounded in the realities of the marketplace; and
- To address and overcome skills scarcity in the transport sector, in partnership with the private sector.

4.5.3. Policy statements

Competition

Issue

Diversity and keen intermodal competition which are essential to an effective transportation system are not features of the South African transport system. The Government's policy will promote equal competitive opportunities among the transportation modes and encourage cooperation among modes to enable each mode to realise its inherent advantages.

A key issue regarding level playing fields between the transport modes is equity in the recovery of infrastructure provision, management, operation, and maintenance costs. An equitable distribution of infrastructure cost recovery (capital, management, operating and maintenance) will make a positive contribution to reducing artificial modal shifts and distorted tariff structures created by cross-subsidisation.

Policy

The strategic value of state ownership of the various types of infrastructure will be re-assessed. In certain instances, it may be undesirable for the roles of provider and regulator (player and referee) to be embodied in a single institution. In these instances ownership and regulation of transport infrastructure should be separated, whether state owned or privatised.

Regulatory structures will be established, where they are appropriate but do not exist. Infrastructure will be regulated where monopoly situations could occur.

The feasibility and desirability of expanding the TAT's mandate to encompass the roles envisaged for the TEC will be investigated.

The Government will strive to level the playing fields to enable fair competition between the various land transport modes.

A monitoring system will be established, and specific and regular cost recovery studies will be undertaken to determine and equitably allocate costs for the provision, management, operation, and maintenance of all freight transport infrastructure (including road, rail, port, and airport).

Human resource development

Issue

Throughout the transport sector, the current situation is that there is a lack of demographic representation in senior positions, a lack of gender equality; and a lack of staff members with disabilities. Line departments and parastatals do not seem to be adequately engaged in training and there is a lack of competency recognition and clear career paths. In addition, although money has been made available for training, more direction in its application is required.

Policy

Affirmative Action in the transport infrastructure provision sphere will be accelerated and monitored at all levels of government.

All levels of government must be responsible for identifying needs in establishing priorities and programmes to build expertise on an ongoing basis.

Education and training facilities must be established to promote human resource development. Initially, existing education and training facilities must be deployed to meeting training needs. All role players should be given the opportunity to gain access to such facilities.

Training needs for transport provision, maintenance and operation will be identified, quantified and matched where applicable with skills provision through avenues such as Centres of Development, universities, universities of technology and technology transfer centres and formal construction contracts.

TETA will be enabled and supported to provide capacity building to municipalities and operators with regards to transport functions, particularly in public transport.

Small, medium, and micro enterprises

Issue

The transport industry is currently dominated by large players. High capital costs of modern public transport and freight vehicles, the high level of service expectations of customers, and compliance with the quality systems such as the RTQS make it difficult for small operators to enter the industry.

Policy

Empowerment of SMMEs through training courses should receive priority. Potential barriers to entry, such as contract documentation and specifications will be removed by the establishment

of documentation and conditions appropriate to small enterprises (where applicable, labour intensive construction methods). Large contracts will be managed from a human resource development point of view, i.e. skills transfer conditions for the establishment and advancement of small enterprises as an entry into the formal contracting sector.

In roads, the RTQS will be simplified, but quality standards will not be relaxed.

Policies will be supportive of SMME freight business, and will ensure operators without control over all elements in the logistic chain, are not disadvantaged. Specific attention will be given to formalising informal freight transport providers

Integration of SMMEs into the formal public transport system will be addressed pro-actively and in a structured manner by all levels of government and will be a priority in the transitional restructuring of the public transport industry.

The establishment of SMMEs addressing infrastructure provision and maintenance will be encouraged.

Minibus and small bus operators will be encouraged to form organisations and take part in the awarding of mainstream public transport contracts by transport authorities or equivalent coordinated and accountable structures. Assistance will be offered to disadvantaged operators to enable them to participate in the system.

4.6. TRANSPORT RESEARCH AND DATA

It is necessary for the Government to make evidence based decisions, for which relevant, accurate and up-to-date data is required. Furthermore, the Government needs data to monitor and measure its progress against the targets it sets for itself. The Government must leverage its unique position to collect, collate and interpret data that no other organisation in society can legitimately be expected to undertake. Likewise, the Government desires to facilitate progress through supporting innovative technological research and advancement.

4.6.1. Mission

“To collect, manage and store transport information efficiently to enable data-driven research to inform planning, development and investment, determine the needs of the population to provide context-sensitive solutions, and enhance and build on existing economic activities.”

4.6.2. Strategic objectives

The strategic objectives to fulfil this mission are:

- To advance efficient, comprehensive, and up-to-date transport data collection, storing and sharing between entities and across modes;
- To promote the development of innovative transport technologies; and
- To support research and data analysis in the transport sector as an input into policy decisions and to stimulate transport sector innovations.

4.6.3. Policy statements

Issue

The absence of an integrated national transport database available to relevant stakeholders is resulting in a major misalignment of planning, development and investment in transport infrastructure and operations. Furthermore, research funding has been declining rapidly since the White paper on National Transport Policy 1996, resulting in limited innovation and research results for South Africa’s transport issues

Policy

Existing legislation for the establishment of protocols and systems for data collection and sharing will be enacted and supported by the DoT. Provisions for data collection and sharing to be a statutory requirement will be expanded to ensure all transport-related stakeholders (including government, agencies and SOCs) are obligated to participate. Special provision should be made to ensure the confidentiality of commercially sensitive information collected from SOCs. Collected data will be housed and managed either within the DoT or with a capable, independent organisation.

Data collection will be designed so as to monitor progress against measurable targets and performance indicators, which are based on transport policy objectives, where such indicators are primarily user-focused.

Data on road safety is required for purposes of improvement against baselines and for benchmarking. To this end, the DoT will create a forum to facilitate and take responsibility for managing an integrated approach with respect to road safety management and undertaking data collection, monitoring and reporting on road crashes.

As a basis for coordinated planning, comprehensive infrastructure databases will be established at all levels.

A central freight data base should be developed and kept up to date in order to inform inter-modal services, which is a demand driven concept.

The National Household Travel Survey should continue to be periodically executed as it is a valuable source of data that informs transport planning.

The DoT will re-establish a meaningful research budget and financially support non-governmental “centres of excellence”, in order to stimulate transport sector innovations relating to safety, fuel efficiencies, alternative fuels, environmental impact, and new building materials and construction methods.

5. ANNEXURES

5.1. LIST OF ABBREVIATIONS

ACSA Airports Company South Africa

AFC Automatic Fare Collection

ASLC Air Service Licensing Council

ATNS Air Traffic and Navigational Services Company

B-BBEE Broad-Based Black Economic Empowerment

BOC Bus Operating Company

BOT Build-Operate-Transfer

BRT Bus Rapid Transport

CBRTA Cross Border Road Transport Agency

CIF Cost, Insurance, and Freight

CNS/ATM Communications, navigation and surveillance/air traffic management

COTO Committee of Transport Officials

DoT Department of Transport (National)

EIA Environmental Impact Assessment

ESGE Environmental, Social, Governance, and Economic

FOB Free on Board

FROM Fund-Rehabilitate-Operate-Maintain

HGV Heavy Goods Vehicle

IASC International Air Services Council

ICAO International Civil Aviation Organisation

ICMA National Environmental Management: Integrated Coastal Management Act (ICMA)

IRPTN Integrated Rapid Public Transport Network

ITP Integrated Transport Plan

MBT Minibus Taxi Operator

MINCOM Ministerial Conference of Ministers of Transport

MINMEC Ministerial Conference of Members of Executive Committees

NLTA National Land Transport Act

NMT Non-Motorised Transport

NQF National Qualifications Framework

OLAS Operating Licence Administrative System

OSBP One-Stop-Border-Post

PFMA Public Finance Management Act

PRASA Passenger Rail Agency South Africa, Metrorail, Prasacress, Autopax and Shosholoza Meyl

PSC Port State Control

RIPTN Rural Integrated Public Transport Network

ROI Return on Investment

RPAS Remote Piloted Aircraft Systems

RSA Republic of South Africa

RTMS Road Transport Management System

RTQS Road Transport Quality System

SABS South African Bureau of Standards

SACAA South African Civil Aviation Authority

SADC Southern African Development Community

SAMSA South African Maritime Safety Authority

SANRAL South African National Roads Agency

SAQA South African Qualifications Authority

SARP Standards and Recommended Practices

SATCC Southern African Transport and Communications Commission

SMME Small, Medium, and Micro Enterprises

SOC State-Owned Companies

STCW Standards of Training, Certification and Watchkeeping

STER Single Transport Economic Regulator

TAT Transport Appeal Tribunal

TEC Transport Economic Council

TER Transport Economic Regulator

TETA Transport Education and Training Authority

Transnet Transnet Limited, with operational divisions of Transnet Pipelines, Transnet National Ports Authority (TNPA), Transnet Port Terminals (TPT), Transnet Engineering and Transnet Freight Rail (TFR)

5.2. GLOSSARY GLOSSARY OF TERMS

Aerotropolis	A metropolitan sub-region or city in which the layout, infrastructure, and economy are centred on a major airport.
Bilateral shipping agreements	Shipping agreements in which two countries to allow international shipping services between their territories
Branch line	A secondary railway line running from a main line to a secondary terminus.
Build-Operate-Transfer (BOT)	A form of project financing agreement in which the government obtains financing from a private party that is able to build and operate a facility stated in the agreement.
Cabotage	The right to operate a transport mode service within or into a particular territory.
Civil aviation	The use of flights and aircraft for private and commercial purposes, for both passengers and freight other than the use for military purposes.
Code-sharing	An agreement between airlines whereby a single flight is to be listed/ marketed by more than one airline but is to be serviced by only one airline, known as the operating carrier.
Concession	The authority and contract to operate a road, rail line, or network at an agreed price. It could be awarded to either the public or private sector.
Contestability	Relates to the degree to which companies can freely enter and leave the market without accruing large unrecoverable costs.
Contract	An agreement between an authority and an operator regarding the delivery of a service at an agreed price.
Cost-Benefit Analysis	The exercise of weighing up the costs against the benefits of a transaction or activity.
Demsetz competition	Relates to competition involving the awarding of an exclusive contract to the agent offering the lowest price. It is also known as “competition for the field”, as opposed to “competition in the field” which relates to the awarding of a contract to two or more agents who then compete in the provision of the good or service.
Devolution	Relates to the transfer of power to a lower level of government.
Dry Bulk sector	Involves the transportation of cargoes in large unpackaged quantities.

Externalities	The costs or benefits, referred to as negative and positive externalities respectively, which accrue to a third party as a result of an economic transaction and which are not reflected in market prices.
Feeder road	A minor road used to bring traffic to a major road.
Framework	An outline or skeleton which provides the structure and form around which a plan or policy or strategy is constructed.
Freight	Refers to goods transported in bulk by road, rail, sea or air.
Fund-Rehabilitate-Operate-Maintain	A form of project financing agreement in which the government obtains financing from a private party to fund, operate and maintain a facility stated in the agreement.
Goal	A goal is an idealised end-state of the system or a desired direction of the evolution of the system.
Integrated plans	Plans which encompass a system which includes land use, spatial development, infrastructure, services and the finance thereof.
Integrated transport planning	Is a comprehensive and integrated process for generating a plan relating to the regulation and management of transport infrastructure (roads, rail, stations, terminals and public transport facilities) and for regulating public transport operations/services and the use of infrastructure by both operators of public transport and private travellers. Because of the spatial relationship between human and economic activities, resulting in the demand for travel, it is essential that an integrated passenger transport plan should be developed in the context of a land use plan which is supportive of efficient transport.
Intermodal	Use of at least two different modes of transport for transfer of people or goods in an integrated manner in a door-to-door transport chain. The true advantage of intermodalism is the ability to logistically and effectively link two or more modes of transportation for the benefit of customers and users.
Intermodality (freight)	A system of transport whereby two or more modes of transport are used to transport the same loading unit or truck in an integrated manner, without loading or unloading, in a door to door transport chain.
Intermodality (passenger)	A characteristic of a transport system, that allows at least two different transport modes to be used in an integrated manner in a door-to-door transport chain.

Intermodal competition	Relates to competition between different modes of transport for the provision of goods or services.
Issue	An issue arises in a national, district or local community when there are conflicting goals and objectives (desires or perceptions) within the community.
Logistics	The process of planning, implementing, and controlling the efficient, cost-effective flow and storage of raw materials, in-process inventory, finished goods, and related information from point of origin to point of consumption for the purpose of conforming to customer requirements.
Maritime transport	Transport services which encompass all forms of transport by sea, intermodal links and inland facilities.
Multimodal	Transfer of people or goods by at least two different modes of transport.
Objective	An objective is a target, the attainment of which will help towards reaching a stated goal.
Passenger transport	Is a generic term which describes the movement of people by any travel mode, including movement by motorised and non-motorised modes, and on foot. It encompasses inter-city, urban and rural passenger travel, for any purpose, by air, sea and over land and by both private and public travel modes.
Permit	The current authority or licence to operate a public transport service in terms of the Road Transportation Act (1976).
Permission	The authority to operate a public transport route or network without subsidy.
Plans and planning	A plan is a product of the process of planning which is an organised method by which things are to be done. In the transport context, a plan is a vision of the desired future condition, a set of objectives to achieve the vision, policies to regulate the transport system, strategies, actions and projects to implement the plan and a financial statement and budget.
Policy	A policy is an adopted framework or basis for the action needed to overcome identified problems and achieve stated goals and objectives.
Problem	A problem is an unfulfilled or unattained goal or objective.
Public transport	Is a shared passenger transport service which is available for use by the general public, which operates

	on fixed routes and for which a fixed fare is generally charged. Public transport can include a range of civil aviation, maritime, rail and road based transportation.
Rolling stock	Self-propelled or pulled transportation equipment used in a railway.
Seafarer	An individual who is involved with the sailing or work of a ship.
Seamless transport services	A user-friendly service from origin to destination which is not disrupted by time-consuming or costly transfers between uncoordinated modes or carriers, or by compliance with non-integrated formalities at border crossings.
Spatial competition	Occurs when consumers incorporate the geographic location of competing firms into their decision process for determining their preferred supplier.
Strategy	A strategy is a plan or programme of action to be taken in terms of a policy. Such action may often take the form of a series of projects.
Subsidiarity	Is the exercising of devolved power at the lowest competent level of government.
Tendered contract	The authority to operate a public transport route or network at tendered contract rates.
Transport corridor	A linear pathway for a particular mode of transportation.
Urban sprawl	Refers to the migration of a population from populated towns and cities to low density residential development over more and more rural land. The end result is the spreading of a city and its suburbs over more and more rural land.
Value capture	Value capture is a public financing technique that 'captures' a part or all of the increases in private land values that result from public investment by imposing a tax on the property or requiring an in-kind contribution, such as land or improvements. The additional revenue can be used to finance infrastructure for economic growth and urban development, or for poverty alleviation. The infrastructure financed in turn leverages private investment in the area as it improves.
Vision	A vision is a commonly-shared foresight of future conditions.

5.3. PARTICIPANTS IN THE REVIEW PROCESS

The organisations and government entities represented at various workshops are listed below.

Organisation/ government entity/ institution
Airline Association of Southern Africa (AASA)
Airports Company South Africa (ACSA)
Board of Airline Representatives of South Africa (BARSA)
Brakpan Bus Company
Buffalo City Metropolitan Municipality
City of Johannesburg
City of Johannesburg Metropolitan, Department of Transport Planning
City Of Tshwane
Cross Border Road Traffic Agency (CBRTA)
Cross Border Roads Transport Agency (CBRTA)
Eastern Cape Roads and Public Works
Ekurhuleni Municipality
Ford Motor Company South Africa
Free State Roads, Public Works and Transport
Gauteng Roads and Transport
Greater Kagiso Taxi association
ITS Engineers
Johannesburg Metrobus
JTTA Taxi Association
Kagiso JHB BARA Taxi Association
KETA Taxi Association
KwaZulu-Natal Roads and Transport
LETA Taxi Association
Limpopo Department of Transport
Mpumalanga Public Works, Roads and Transport
National Association of Automobile Manufacturers of South Africa (NAAMSA)
National Department of Human Settlements
National Treasury
North West Department of Community Safety and Transport Management
North West Public Works, Roads and Transport
North West University
Northern Cape Community Safety and Transport
Northwest Transport Investments
Passenger Rail Agency South Africa (PRASA)
Ports Regulator of South Africa

Railway Safety Regulator South Africa (RSR)
RBTA Taxi Association
Road Accident Fund
Road Freight Association (RFA)
Road Traffic Infringement Agency (RTIA)
Road Traffic Infringement Agency (RTIA)
SA Taxi
SANTACO KZN
SANTACO National
SANTACO Sedibeng
SANTACO West Rand
South African Bus Operators Association (SABOA)
South African Civil Aviation Authority (SACAA)
South African Local Government Association (SALGA)
South African Maritime Safety Authority (SAMSA)
South African National Roads Agency (SANRAL)
South African Network for Women in Transport (SANWIT)
South African Road Federation (SARF)
SVVTA Taxi Association
TATA Taxi Association
Taxi Scrapping Administration
Telta Taxi Association
Transnet
Transnet Freight Rail (TFR)
Transnet National Ports Authority (TNPA)
Transport Education and Training Authority (TETA)
Transport for City of Cape Town
UBDTA Taxi Association
University of Johannesburg
University of Johannesburg Public Transport/South African Bus Operators Association (SABOA)
VITA Taxi Association
Western Cape Transport and Public Works
Western Province Transport and Public Works
WETA Taxi Association
World Wide Fund for Nature