



Pocket Guide to South Africa 2008/09
TRANSPORT

The South African transport sector employs 584 000 people in the formal and informal sectors, representing 4,3% of the active population.



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The aim of the Department of Transport is to lead the provision of an integrated, sustainable, reliable and safe transport system, by planning, developing, co-ordinating, promoting and implementing transport policies and strategies.

Public Transport Strategy (2007 – 2020)

The Public Transport Strategy aims to accelerate the improvement in public transport by establishing integrated rapid public transport networks (IRPTNs), which will introduce priority rail corridors and Bus Rapid Transit (BRT) systems in cities.

The essential feature of the Public Transport Strategy is the phased extension of mode-based vehicle recapitalisation into IRPTNs. These networks comprise an integrated package of rapid rail, BRT and taxi and metered taxi priority networks, especially in major cities. The strategy is expected to improve public-transport services for over half the country's population.

Full special needs and wheelchair access for all trunk corridor rail and road vehicles will also be implemented.

2010 Transport Action Plan

The 2010 Transport Action Plan supplements the Public Transport Strategy. It maps out phase one (2007 – 2010) to fast-track an implementation programme over the next two years that targets the initial development of high-quality IRPTNs in 2010 World Cup host cities. The plan integrates transport, security, emergency response and socio-economic development.

The broad principles of the 2010 Transport Action Plan are to:

- accelerate existing transport plans and maximise existing transport infrastructure
- improve public-transport services
- accelerate the implementation of government's economic and sustainable development policies.

2010 FIFA World Cup™ transport projects are funded through the Public Transport Infrastructure and System (PTIS) Grant, with an allocation of R11,7 billion. Government is using the World Cup to



spur a major revolution in South Africa's transport system through investments in:

- public transport and road infrastructure
- rail upgrades
- intermodal facilities
- BRT systems
- inner-city mobility systems
- call centre systems
- airport-city links
- freight services
- passenger safety
- intelligent transport systems.

The PTIS Grant for the 2010 World Cup was increased from R9,2 billion to R13,6 billion, as announced in the National Budget of February 2008.

By 2008, the implementation of the PTIS Grant had gathered momentum, with most of the infrastructure either under construction or scheduled to start. In addition, operational transport planning was at an advanced stage.

Agencies

The following entities report to the Minister of Transport: the South African National Roads Agency Limited (Sanral), South African Maritime Safety Authority, Cross-Border Road Transport Agency, South African Civil Aviation Authority, Road Accident Fund, Urban Transport Fund, Air Traffic and Navigation Services Company, Airports Company South Africa (Acsa) and the National Transport Information System.

Transnet Limited

Transnet, which is transforming into a focused freight transport and logistics company, comprises the following operating divisions:

- Transnet Freight Rail (TFR) – the freight rail division
- Transnet Rail Engineering – the rolling stock maintenance business
- Transnet National Ports Authority (TNPA) – which fulfils the landlord function for South Africa's port system



Pocket Guide to South Africa 2008/09

TRANSPORT

- Transnet Port Terminals – which manages port and cargo terminal operations in the nation's leading ports
- Transnet Pipelines – the fuel and gas pipeline business, which pumps and manages the storage of petroleum and gas products through its network of high-pressure, long-distance pipelines.

Transnet is investing R82 billion over the next five years, of which R40,8 billion is being spent on upgrading freight rail infrastructure and rail engineering. The upgrading of the freight rail infrastructure is key to the objective of shifting more freight from the road network to the rail network as well as finding the balance between road and rail in respect of the transportation of goods.

Road transport

South Africa has the longest road network of any country in Africa. The Department of Transport continues to integrate and improve the road network by ensuring that it is well developed, well maintained and safe.

Sanral's main objectives are financing, managing control over, planning, developing, rehabilitating and maintaining the South African national roads network. It is responsible for the national road network of 16 750 km. About R70 billion will be used in the next three years for road infrastructure, maintenance and upgrading and an additional R3 billion for the Expanded Public Works Programme for access roads, all of which is an attempt by government to alleviate traffic congestion while creating jobs.

Minibus taxis are responsible for 65% of the 2,5 billion annual passenger trips in urban areas, as well as a high percentage of rural and intercity transport.

Buses and trains account for 21% and 14% respectively of all public transport.

According to the *National Household Travel Survey* (2003), about 26% of households in South Africa have access to a motor

With over 2,4 million passenger journeys being made every day, South Africa has the fastest growing railway system in Africa.





car. At 108 cars per 1 000 of the population, car ownership in South Africa remains in its infancy.

Taxi Recapitalisation Programme (TRP)

Government's TRP is underpinned by a strong desire to have an integrated public-transport system.

The main objectives of the TRP are to have a taxi industry that supports a strong economy that puts the passenger first and that meets the country's socio-economic objectives.

Government recognises the critical role played by the industry, and endeavours to ensure its growth and sustainability. The TRP is not only about scrapping old taxi vehicles, but is also concerned with the sustainability and effective regulation of the industry. It is a direct response to the recommendations of the National Taxi Task Team to consider specific interventions to turn around the taxi industry.

Compliance with the necessary basic requirements include possession of legitimate documentation and securing the appropriate type of vehicles, specifically new taxi vehicles that comply with safety specifications.

By May 2008, the scrapping of old and unsafe taxi vehicles and their replacement with new taxi vehicles with better safety features was on track. By July 2008, more than 14 000 old and unroadworthy vehicles had been removed from the roads and R700 million had been paid to taxi operators as scrapping allowances.

Construction of the Gautrain Rapid Rail Link commenced in September 2006. The project will comprise an 80-kilometre route and 10 new stations. The Gautrain Project will reduce the severe traffic congestion along the Johannesburg-Tshwane traffic corridor, which accommodates 300 000 vehicles per day, growing at an estimated 7% per year. It is estimated that the Gautrain Rapid Rail Link will reduce this number by 20%.





Goods transport

The fourth *State of Logistics Survey* (2007) shows that about 87% of all land freight tonnage is carried by road, with the remainder carried by rail. Generally, road transport costs anything between 30% and 50% more than rail transport – additional costs which cargo owners and end customers have to bear.

The National Freight Logistics Strategy is being implemented and seeks, among other things, to integrate the first and second economies, and to support the integration of marginalised local economies with main logistics corridors.

The key objective is to reduce the costs of doing business and remove inefficiencies placed on businesses and their long-term sustainability.

The Department of Transport, in close co-operation with the provincial road-traffic authorities, is implementing the National Overload Control Strategy to protect road infrastructure, improve road safety and ensure seamless movement of cargo.

South African Rail Commuter Corporation (SARCC)-Metrorail

The SARCC was established in 1990 to provide commuter rail services in South Africa. All the passenger rail entities in South Africa are being consolidated. The first phase of the consolidation has been concluded with Metrorail being transferred from Transnet to the SARCC with effect from 1 May 2006. Shosholoza

Between 2007 and May 2008, the South African Rail Commuter Corporation (SARCC)-Metrorail upgraded over 790 coaches. It had committed another 700 coaches to be refurbished in 2008/09 at an estimated cost of almost R2 billion.



Several upgrading works on stations, rail track, signalling and rolling stock are proceeding in all SARCC areas of responsibility.

Government has increased funding for passenger rail services to about R18 billion over the Medium Term Expenditure Framework period.



Meyl has been part of the SARCC with effect from 1 April 2008. However, Transnet continued to manage and run the business on behalf of the SARCC until September 2008 when the parties concluded a Sale of Business Agreement to allocate assets and the accompanying risks facing Shosholozza Meyl.

The corporation's role as concessionaire is to establish and monitor service standards, safety and security levels, and operating efficiencies. Up to 1,7 million people use the commuter rail service daily.

The SARCC infrastructure and assets comprise 478 stations, some 2 240 km of electrified single-rail track and 4 564 coaches.

The new international arrivals' hall at OR Tambo International Airport was opened in September 2008. This is the first phase of the R2,3-billion Central Terminal Building (CTB) at the airport. International passengers will experience an improved arrivals' facility, which includes a more user-friendly customs-control process. Passengers will also enjoy a new arrivals' concourse, which is two and half times bigger than the airport's previous arrivals' halls.



According to Airports Company South Africa (Acsa), the CTB development is the largest single terminal building project that the company has ever embarked upon. The 18 000-m² space will ultimately include retail facilities such as a post office, cellular phone shops and foreign-exchange services as well as various eateries. By April 2009, the departures' facility of the CTB was expected to be fully operational.

The construction of the OR Tambo Gautrain Station was completed and has been handed over for final finishing to Bombela, the consortium of companies that holds the concession to build, operate and maintain the Gautrain. The station was the first Gautrain station to be completed and handed over. The rail line will be elevated above the airport precinct and will connect directly to the CTB.

Transnet Freight Rail

TFR has a 20 247-km rail network, of which about 1 500 km comprise heavy haul lines. The network connects the ports and



hinterland of South Africa as well as the rail networks of the sub-Saharan region. TFR infrastructure represents about 80% of Africa's rail infrastructure.

It operates freight trains, serving customers in the following major segments:

- mining: coal, iron ore, manganese, granite, asbestos, chrome and non-ferrous metals
- manufacturing: chemicals, fuel and petroleum, fertiliser, cement, lime, iron steel and scrap
- agriculture and forestry: grain, stockfeed and milling, timber, paper and publishing, and fast-moving consumer goods
- containers and automotive: intermodal wholesale, automotive and industrial.

TFR offers freight logistics solutions to customers in all industries countrywide.

Civil aviation

Acsa owns and operates the 10 principal airports, including the three major international airports in Johannesburg, Cape Town and Durban. The others are domestic airports in Bloemfontein, Port Elizabeth, East London, George, Kimberley, Upington and Pilanesberg. Other airports in South Africa include Lanseria (Midrand), Gateway (Polokwane), Nelspruit and Kruger (Mpumalanga).

The aviation sector is critical, particularly with regard to South Africa's ability to host the 2010 World Cup. Construction at airports, particularly those that will be directly affected by World Cup activities, is progressing well. Passenger traffic across the Acsa network continues to surge and is estimated to increase from 32,8 million in 2006/07 to over 43 million passengers per year by 2010. Meeting this growth in passenger demand has necessitated enormous investment in airport infrastructure.

It is estimated that air traffic in South Africa will be in excess of 45 million passengers per year by 2012, from 32,8 million in 2008.





At OR Tambo International Airport, the central terminal building (CTB) has a budget of R2,2 billion; upgrade of the international departures terminal a budget of R105 million; second multi-storey parkade a budget of R486 million; remote aircraft aprons a budget of R840 million; and the international pier a budget of R533 million.

The CTB project is scheduled for final completion by the end of 2009, six months before the 2010 Soccer World Cup. It will also be connected to the Gautrain Rapid Rail Link for easy access to train transportation to Johannesburg, Sandton and Pretoria.

At Cape Town International Airport, there are two main projects, namely the CTB with a budget of R1,5 billion and the second multi-storey parkade with a budget of R394 million. By 2008, work on the CTB was progressing well. The construction of a second multi-storey car park, which will be located directly opposite the international terminal, is also in progress. The parkade will have 4 000 bays, which is almost double the current capacity.

Acsa is developing the new greenfield international airport at La Mercy, outside Durban, at a cost of R6,7 billion. The Department of Transport is busy with runway and terminal refurbishment at Bloemfontein Airport at a cost of R121 million and R49 million respectively. There is also a terminal upgrade at East London at a cost of R98 million and runway refurbishment at Port Elizabeth at a cost of R68 million.

On 3 February 2009, approximately 150 invited guests gathered at the Gautrain depot in Midrand to get a glimpse of the Gautrain's world-class features during a quick ride on the three-kilometre test track. Branded in the Gautrain's distinctive golden colour, the renowned ELECTROSTAR series has been customised to meet South African requirements. Once the Gautrain is up and running, a trip from Sandton to OR Tambo International Airport will take up to 12 minutes. The train service will be complemented by a dedicated bus fleet which will transport passengers in air-conditioned comfort between the stations and surrounding suburbs and business nodes. The bus fleet will initially comprise 125 buses running on approximately 36 routes, covering some 26 000 bus-km every day.





Pocket Guide to South Africa 2008/09

TRANSPORT

By October 2007, there were 10 067 aircraft on South Africa's register. Air travel in South Africa has grown more than 10% per year over the past three years, largely due to the proliferation of low-cost airlines following the deregulation of the industry in the early 1990s and the increased volume of international traffic flowing into the country. This can be evidenced by the fact that, in 1993, fewer than 12 international airlines flew into South Africa. However, this number had increased to 20 by 1995 and now more than 70 international airlines fly into the country regularly.

South African Airways (SAA)

In August 2008, SAA was named the best airline in Africa at the 2008 Skytrax World Airline Awards, which are based on an annual survey by British aviation experts Skytrax. The *Skytrax Survey* is recognised as an independent passenger survey of global airline standards. SAA also won the Skytrax Award for Best Cabin Crew in Africa.

SAA is the only non-stop service from the United States of America (USA) to South Africa, with daily departures from Washington, DC and a daily direct service from New York. The airline recently upgraded its in-flight entertainment on these flights, increasing the number of movies available from 15 to 44, ranging from global blockbusters to more culturally diverse options that include South African and Hindi choices. There are a number of channels with TV programmes and music from many different genres on offer.

Each seat on board includes a personal, on-demand entertainment system with a full range of upgraded content. Travellers in premium class enjoy 180-degree fully flat-bed seats. SAA's local network includes connections to more than 20 South African destinations and more than 20 cities across the rest of the continent.

Transnet intends to invest about R26 billion in the next five years in its Port Authority and Port Terminals divisions, primarily to support growth in the dry-bulk, liquid bulk, containers, automotive and break-bulk sectors.





As a Star Alliance member, SAA also offers its customers 975 destinations in 162 countries and 18 100 flights daily, including convenient connections from more than 30 cities in the USA through code-share service with Star Alliance member United Airlines. Members of United Airlines' Mileage Plus, US Airways' Dividend Miles and Air Canada's Aeroplan programmes can earn and redeem miles on all SAA flights.

South Africa has a number of airlines flying between its major cities, and to some of its smaller ones, with fares ranging from first-class to cut-price economy. Flights can be booked online from anywhere in the world. Eight major domestic airlines operate in the country, as well as a number of smaller charter airline companies.

Ports

The TNPA is the largest port authority on the continent. It owns and manages South Africa's ports at Richards Bay, Durban, East London, Port Elizabeth, Mossel Bay, Cape Town, Saldanha and Ngqura.

The TNPA provides suitable infrastructure as a conduit for the country's imports and exports. As port landlord, it is responsible for:

- developing and managing port properties
- developing, advising and implementing national port policies
- providing and maintaining port infrastructure (i.e. breakwaters, seawalls, channels, basins, quay walls and jetties), and the sustainability of ports and their environments
- co-ordinating marketing and promotional activities for each port.

The TNPA also has a control function, which includes:

- providing vessel-traffic control and navigational aids
- licensing and leasing terminals to operators
- monitoring the performance of port operators
- ensuring the orderly, efficient and reliable transfer of cargo and passengers between sea and land.

Commercial ports play a crucial role in South Africa's transport, logistics and socio-economic development. About 98% of South Africa's exports are conveyed by sea.



Pocket Guide to South Africa 2008/09

TRANSPORT

The R11,2-billion New Multi-Product Pipeline (NMPP) between Durban and Gauteng is a priority project to ensure security of supply of liquid fuels to the Reef. The NMPP Project, the largest single project in Transnet's portfolio, encompasses the replacement and expansion in capacity of the Durban to Johannesburg pipeline. The NMPP Project also addresses the capacity constraints in the Inland Network, which services the Alrode, Tarlton, Rustenburg, Witbank, Pretoria, Kroonstad and Klerksdorp regions, resulting from the increased demand requirements in these regions.



The National Ports Regulator, which was established in terms of the National Ports Act, 2005, is responsible for the economic regulation of the ports system, in line with government's strategic objectives to promote equity of access to ports and to monitor the activities of the TNPA. The regulator also promotes regulated competition, hears appeals and complaints and investigates such complaints.

The adoption and implementation of measures to enhance maritime security have resulted in South Africa being fully compliant with the International Ships and Ports Security Code since July 2004.