



# Transport

South Africa's extensive transport system plays an important role in the national economy as well as in the economies of several other African states. A number of countries in southern Africa use South Africa's transport infrastructure to move their imports and exports.

The main functions of the Department of Transport include policy formulation; strategic planning, which facilitates growth and development; and regulation, which promotes fair competition, upholds safety standards and protects the environment. The Department of Transport is strategically positioned to provide safe, reliable, effective, efficient and fully integrated transport operations and infrastructure, which best meet the needs of freight and passenger customers and improve levels of service and cost. This supports government strategies for economic and social development while being environmentally and economically sustainable.

## Policy

Communities, which are historically displaced, travel long distances to points of economic production and rely on transport benefits such as subsidies. They are vulnerable to public

transport cost-drivers such as fluctuations in transport energy cost. The Department has seen a need for a systems approach to effect an integrated transport solution, which will set a platform for a sustainable public transport system.

The Department of Transport's vision is one of a transport system that builds a better life for all. Its mission is to promote affordable transport access and mobility that is safe, reliable and internationally competitive.

The Department's main objective is to formulate, co-ordinate, implement and monitor transport strategies and policies in general and to enhance safety, improve public transport and develop transport infrastructure.

The other key objectives include the following:

- facilitating access to and affordability of public transport to the commuting public
- planning, developing and maintaining transport infrastructure to improve mobility and quality of life and to contribute to economic development
- promoting sector and enterprise reforms to create a reliable, safe and competitive transport system.

Public transport in South Africa is characterised by disparities.

## Public transport subsidies

Over the medium term, the current practice of paying subsidies to buses and commuter

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◀ There are close to 127 000 minibus-taxis in South Africa, which provide 65% of the 2,5 billion annual passenger trips in urban areas and a high percentage of rural and intercity transport.

rail in exclusion of the taxi industry will be redesigned towards a public transport subsidy scheme that is driven by socio-economic factors for targeted commuters. Only about 35% of the commuting public is currently subsidised and there are increasing pressures to expand the subsidised services to new areas. The major allocations in the Department's budget are for bus and rail subsidies, with a total funding of R3 737 million in 2002/03. This includes additional funding of R140 million for rail infrastructure and R150 million for bus subsidies. The Department is working on a subsidy policy for public transport and it is envisaged that it will be finalised in 2002/03.

### Taxi recapitalisation

The implementation of the Taxi Recapitalisation Programme is one of the key priorities of the Department. Ongoing interdepartmental processes are taking place to ensure that the Programme is affordable and sustainable in the long run. It is envisaged that the Programme should be completely rolled out by 2006/07. An amount of R376 million has been allocated for 2002/03 and is aimed at realising and unlocking the economic potential of the taxi industry.

### Rail

The Department has embarked on a comprehensive recapitalisation programme to improve rail safety and revive rail transport as a viable public transport alternative. An amount of R545 million is provided for in the 2002/03 allocation for capital expenditure to refurbish rolling stock and upgrade train stations. There are currently 15 projects under way to upgrade rail-signalling systems.

The Department will seek to create an environment for fair price competition, internalising externalities between rail and road hauliers and new ways of sustaining the transport network.

The Department will further create a Rail Safety Regulator to enhance safety for people and goods in transportation.

### Non-motorised transport

Greater emphasis will be placed on the promotion of non-motorised transport, primarily with a view to increase transport mobility and accessibility, mainly in rural areas. In his Budget Vote speech in June 2002, the Minister of Transport, Mr Dullah Omar, announced that the Department will roll out the Non-motorised Transport (NMT) Programme in the Kgalagadi and Botlhabela Presidential Rural nodes. This new Programme has four subcomponents:

- the promotion of ownership and usage of various rural transport operations (e.g. human/animal-drawn carts) in low-income rural areas and at local project level.
- the creation and/or improvement of appropriate, safe on and off-the-road rural transport infrastructure (on-the-road includes access roads, low-level access bridges, etc. and off-the-road includes foot-paths, side-tracks, as well as various safety gadgets).
- alleviating rural poverty by promoting the economic as well as strong industrial dimension of NMT project operations and infrastructure (e.g. small, medium and micro enterprises [SMMEs]). This will be achieved by exploiting to the maximum the local expertise in the running and sustaining of the Programme.
- impact assessment and programme evaluation. The main objective of this component is to provide meaningful contributions to the rural transport strategy.

### Transport safety

Increased emphasis will be placed on safety issues in all transport modes. The Road to Safety Strategy, transportation of dangerous goods by road, the establishment of a Maritime Rescue Centre, the setting-up of the Rail Safety Regulator and the Road Traffic Management Corporation (RTMC) are examples of this.



## The Road to Safety Strategy

The Department has embarked on the Road to Safety Strategy (2001 – 2005) to address road safety-related factors. Among the key focus areas is the Arrive Alive Programme, which now operates throughout the year. In addition, the establishment of the RTMC is a key priority.

The Road to Safety Strategy puts a high priority on co-ordinated action in all the key areas of road safety: law compliance, driver fitness and training, vehicle condition, fleet regulation, overload control, pedestrian education, direct community road safety participation and active passengers and public empowerment.

Since the announcement of the Strategy in November 2001, the Department has developed an implementation business plan. This provides for 14 projects, which are:

- Driver fitness – a sum of R21,5 million was transferred to the provinces to upgrade all substandard driver's licence testing centres (DLTCs). This will ensure compliance by the DLTCs with provisions of the National Road Traffic Act, 1996 (Act 93 of 1996).
- Vehicle fitness – to reduce the number of unroadworthy vehicles, the Department is in the process of introducing a system of periodic roadworthiness testing by early 2003.
- Fraud and corruption – steps have been taken to identify fraudulent spots and co-ordinate investigations with the National Intelligence Agency and South African Police Service (SAPS) into alleged fraud and corruption in road-traffic matters, with particular emphasis on vehicle testing stations and DLTCs.
- Professionalism in traffic fraternity – the entry requirements for a candidate traffic law-enforcement officer are grade 10 and a valid driver's license. Traffic training institutions are being consulted to increase the entry requirements to grade 12 and a valid driver's license.
- Arrive Alive Campaign – greater attention is being given to pedestrian safety, as more

than 40% of deaths on South African roads are pedestrians. Pedestrian messages will be featured on 370 billboards from June 2002. A contract has been negotiated with the Premier Soccer League to advertise road-safety messages on big screens in big soccer stadiums.

- National Traffic Information Centre – by June 2002, a temporary computer system was developed for the National Traffic Call Centre and was ready for implementation in a pilot project in Mpumalanga. The public will be given the opportunity to report good and bad behaviour on the road. New computer software for the evaluation of data and preparation of monthly reports is in the process of being developed.
- Traffic information systems – by June 2002, the Department had converted 4,5 million of the 5,8 million driver's licences to the credit card format. It is planned that during the third quarter of 2003, some 500 card verification devices will be made available to allow for roadside verification.
- fleet operations management – a process is under way to develop strict criteria for professional drivers.
- pedestrian safety – by June 2002, the building of 22 traffic training centres had started in eight provinces. Crash data has been used to identify 10 hazardous locations in each of the nine provinces. Speed-calming measures and pedestrian bridges will be built in some of the identified hazardous locations.
- overload control – the Department has developed short-term actions to deal with overload control. These include entering into public-private partnerships, zero tolerance on gross vehicle mass, extending the responsibility for overloading of heavy vehicles to the consignor and consignee, and developing procedures to identify and deal with habitual offenders.

## Aviation security

South Africa complies with the International Civil Aviation Organisation's (ICAO) recom-

mended practices on aviation security. Recent security incidents at South African airports have, however, necessitated a more rigorous approach that will include stakeholder involvement by the Department of Transport, the SAPS, the Civil Aviation Authority (CAA) and the Airports Company of South Africa (ACSA).

### **Aviation safety**

Aviation safety in South Africa was audited by ICAO at the Minister's request. The recommendations are being implemented. The Department is participating in the development and establishment of an Upper Airspace Control Centre, which is a regional initiative aimed at alleviating air-traffic problems in the region. A regional facilities' audit will be conducted and steps taken to ensure agreement by Southern African Development Community (SADC) member states.

### **Maritime safety**

South Africa has been identified as a focal point for a regional search-and-rescue centre. The establishment of a Maritime Rescue Control Centre has become a priority. The Department is identifying possible funding for the Centre to enable its establishment in 2002/03.

The International Maritime Organisation (IMO) continually experiences casualties in its fishing industry. The Department has identified the training of seafarers as critical and a training programme has been developed, which will be implemented in 2002/03.

## **Transport infrastructure**

### **Road infrastructure**

The Department is undertaking a study to develop a Road Infrastructure Strategic Framework that will give effect to the national vision of road transport in South Africa, taking into consideration the socio-economic environment, national imperatives, policy goals, institutional arrangements, funding mecha-

nisms, current realities and future scenarios as well as the needs and perceptions of the road user. The outcome will be a review of the principal issues facing the development of road infrastructure and a sustainable strategy for the future.

### **Rail infrastructure**

An amount of R545 million is provided for in 2002/03 for capital expenditure by the South African Rail Commuter Corporation (SARCC). Emphasis will be placed on refurbishing and replacing ageing rolling stock, upgrading train stations and replacing outdated or obsolete signalling systems. The extension of the Khayelitsha rail line is a multi-year project and will be completed in 2004/05.

### **Taxi facilities**

An audit of all taxi facilities was done to determine the extent to which facilities have to be upgraded or built to accommodate the larger vehicles envisaged with the taxi recapitalisation process.

### **Aviation**

Emphasis will be placed on improved international access to and from South Africa by air, the expansion of the bilateral air services framework, the implementation of the Yamoussoukro Declaration, effective monitoring of airline activities and the efficient licensing and regulation of domestic and international air services. Other aims include promoting:

- safer skies: this involves ensuring that adequate safety and upper-air space-control regimes are in place across the continent, supported by efficient air traffic and navigational services and systematic human resource development programmes
- efficient and effective aviation networks: this involves regulating as necessary to make air transport affordable, creating regional hubs and air-carrier alliances and supporting one another to establish a high-quality African airports network.



## New Partnership for Africa's Development (NEPAD)

From a transport point of view, key issues in creating an effectively co-ordinated African response to global market challenges are market access, mobility and systems integration. These are the factors that, in the overall environment of increasingly effective governance, make sustained economic and social development possible.

The Department will be contributing actively to the practical realisation of both NEPAD and SADC development goals in several major areas by promoting:

- efficient and effective maritime transport services
- rail systems integration
- road systems development and infrastructure maintenance.

## Agencies

The Department of Transport has established four bodies to move certain elements of government's operational activities to commercial agencies. They are the National Roads Agency (NRA), the South African Maritime Safety Authority (SAMSA), the Cross-border Road Transport Agency (CBRTA) and the CAA.

The agencies perform functions and services previously provided by the national Department of Transport in a fully commercial environment. They have been assigned clearly defined responsibilities and functions, and each agency has entered into a formal performance agreement and Memorandum of Understanding (MoU) with the Government as shareholder.

### National Roads Agency (NRA)

The NRA was created out of the need for the national Department of Transport to separate its roles as both policy-maker and operator. The NRA, a commercially driven company

with the Minister of Transport as its single shareholder, manages and operates the national road network on behalf of government.

The NRA was established in April 1998 as an independent, statutory company. It is responsible for the design, construction, management and maintenance of South Africa's national road network, both toll and non-toll. It is also charged with raising the finances required to develop and manage the road network, an asset worth an estimated R40 billion.

The NRA's responsibilities are to:

- strategically plan, design, construct, operate, rehabilitate and maintain South Africa's national roads
- deliver and maintain a world-class primary road network
- generate revenue from the development and management of its assets
- undertake research and development to enhance the quality of the country's roads
- upon request of the Minister and in agreement with a foreign country, provide, operate and maintain roads in that country.

### South African Maritime Safety Agency (SAMSA)

The Agency is a statutory body that reports to the Minister of Transport through a board of directors. Its responsibilities include the promotion of safety of life and property at sea, the prevention of sea pollution by pollutants emanating from ships, and the co-ordination of overall technical operations. It also develops policy on legal issues, foreign relations, marine pollution and certain specific safety matters.

SAMSA's main functions are to:

- provide shipping competence and pollution services in a regional context
- manage marine incidents, casualties and wrecks, and participate in search-and-rescue
- control standby tugs and pollution stores
- maintain seafarers according to standards of training and staffing criteria

- provide a shipping administration support service
- manage the registration of ships
- develop a national port authority
- manage a coastal patrol service
- manage vessel traffic, including navigation aids
- provide lighthouse services.

Funding comes from levies on ships calling at South African ports, direct user charges and government service fees, among other sources.

### **Cross-border Road Transport Agency (CBRTA)**

The Agency regulates and controls access to the cross-border road-transport market by the road transport industry. It also aims to facilitate the establishment of co-operative and consultative relationships and structures between public and private-sector institutions with an interest in cross-border transport.

The CBRTA is furthermore involved in the collection, processing and dissemination of relevant information, the provision of training and capacity-building, and the promotion of entrepreneurship, with the focus on SMMEs with an interest in cross-border road transport.

The functions of the Agency include:

- advising the Minister of Transport on cross-border transport matters, and assisting in the process of negotiating and renegotiating cross-border road-transport agreements on request
- regulating the road-transport industry's access to the cross-border road-transport market
- facilitating ongoing co-operative and consultative relationships and structures between the public and private sectors in support of cross-border road-transport operations
- undertaking road-transport law enforcement.

The main source of income for the CBRTA is fees charged for cross-border permits.

### **South African Civil Aviation Authority (CAA)**

The CAA was established on 1 October 1998 following the enactment of the CAA Act, 1998 (Act 40 of 1998). The Act provides for the establishment of a stand-alone authority charged with promoting, regulating and enforcing civil aviation safety and security.

In setting up the CAA, government has identified the need to meet its international obligations in relation to its international treaty obligations through the ICAO standards and recommended practices to ensure internationally accepted levels of aviation safety in South Africa.

#### **Areas of oversight**

- Airport oversight involves the certification of airports and heliports, and monitoring civil and electrical engineering matters in relation to infrastructure such as lighting and navigational aids and their repair and maintenance. Development in the vicinity of airports is monitored, including the construction of 'obstacles' – objects tall enough to pose a hazard to flying operations such as cellular phone masts, cranes and buildings. Another important area of airport oversight includes monitoring processes and procedures for rescue and fire-fighting services, screening of passengers and baggage, access control in terms of fencing and lighting, and the handling, packaging and documentation of hazardous substances. Administration of the aeronautical very-high frequency spectrum on behalf of the Independent Communications Authority of South Africa (ICASA) is also part of the oversight of airports.
- Aircraft oversight deals with all certification activities in relation to aircraft products and parts. This includes the issuing and renewing of airworthiness certificates, approvals and renewals for aircraft maintenance, design and manufacturing, processing and testing organisations. Aircraft oversight also covers the approval of modifications, noise



certification, and maintenance and repair to aircraft.

- The area of personnel involves oversight in relation to examining, licensing and training of aviation personnel as well as their medical certification.
- Oversight of operations is carried out in terms of monitoring information contained in the operations manuals of every operator to ensure compliance with relevant legislation. Oversight is performed through regular and *ad hoc* inspections, including route surveillance checks on operators to ensure compliance with required standards. Flight-simulator checks and certification, and cabin safety and flight engineer surveillance are performed at least once a year. In addition, security programmes and processes of operators in relation to their handling of passengers, baggage and dangerous goods are monitored.
- Airspace oversight ensures the effective management and provision of air-traffic services through the allocation of airspace by the statutory consultative body, the National Airspace Committee. This ensures that air-traffic service-providers maintain required standards and equipment. This area of oversight is also responsible for the development of procedures for air navigation services and operations, designing, testing and certifying instrument flight procedures, and the preparation of aeronautical charts. There is regular contact with organisations such as ICAO and the African Civil Aviation Commission.
- Accident and incident investigation is a key activity of the CAA. Investigations are conducted to determine the cause of accidents and to recommend measures to prevent recurrence. In addition, the monitoring of trends regarding aircraft accidents and incidents, the identification of potential problem areas and possible safety deficiencies, and proposing safety recommendations to the regulatory body are other key functions.
- The Flight Inspection Department's function is to calibrate the radio navigational aids

used by aircraft to ensure accuracy and reliability. The navigational aids are inspected at regular intervals in accordance with international requirements. The Department inspects all radio navigational aids in South Africa as well as some in neighbouring states.

- The Aeronautical Information Services Department provides aeronautical information to the industry and also meets the information needs of the organisation.

## Transnet Limited

Transnet Limited was established on 1 April 1990. It handles 180 Mt of rail freight per year, 2,1 Mt road freight, and 194 Mt through the harbours, while 15 400 Ml are pumped through its petrol pipelines annually.

The company flies 6,1 million domestic, regional and international passengers per year. In total, Transnet is worth R58 billion in fixed assets and has a work-force of some 80 000 employees.

Transnet is a public company of which the South African government is the sole shareholder and is today recognised as the dominant player in the southern African transport infrastructure. Its activities are not restricted to southern Africa but extend beyond its borders into Africa and the rest of the world.

Transnet Limited consists of nine main divisions, a number of subsidiaries and related businesses.

Its main divisions are the following:

- Spoornet focuses on the transportation of freight, containers and mainline passengers by rail
- The National Ports Authority (NPA) focuses on the provision of total port infrastructure and marine-related services, the management of port activities in a landlord capacity and the regulation of the port systems
- South African Port Operations focuses on port terminal and cargo operations in commercially viable business units

- Petronet focuses on the transportation of petroleum products and gas through a high-pressure long-distance pipeline network
- Freightdynamics is a strategic road-freight business with a national network of operations
- Propnet manages a profitable property development, management and investment function of Transnet's vast property portfolio
- Metrorail is a commuter rail transport business
- Transtel is the telecommunications unit of Transnet and caters for the company's telecommunications needs
- Transwerk is involved in engineering activities and one of South Africa's leading manufacturers and refurbishers of railway rolling stock.

## Road transport

### National roads

In terms of the National Roads Act, 1998 (Act 7 of 1998), government is responsible for overall policy, while road-building and maintenance is the responsibility of the NRA.

The Department continues to work on improving the road network, ensuring that it is well-maintained and safe. A new National Roads Plan is being developed, indicating the importance of roads to the economy.

The national road system links all the major centres in the country to one another as well

as to neighbouring countries. There is a national road network of 7 200 km with plans to extend this to 20 000 km of primary roads. Toll-roads, which are serviced by 24 mainline toll-plazas, cover about 1 900 km. The network includes 1 400 km of dual-carriage freeway, 440 km of single-carriage freeway and 5 4360 km of single-carriage main road with unlimited access. In 2000, the total road network amounted to 534 200 km with 2 300 km of freeways. South Africa has the longest road network of any country in Africa.

The Maputo Development Corridor, the N3 toll-road and the Platinum toll-road, resulted in the creation of 9 858 direct jobs. The Platinum Toll-road covers 380 km with substantial foreign investment.

### Provincial roads

The planning, construction and maintenance of roads and bridges, other than those falling under the NRA or local governments, is the responsibility of provincial governments. The national Department of Transport is always ready to assist provincial and local governments to improve and develop the state of their roads.

The Infrastructure Fund set up by government will make a contribution to reversing the decline in the state of South Africa's local, rural and many provincial roads. About 60% of the Infrastructure Fund goes to provinces.

### Spatial Development Initiatives (SDIs)

The SDI programme uses public resources – particularly project planning, scoping and logistical co-ordination skills – to leverage private-sector involvement. SDIs are recognised as an effective means of stimulating economic growth by exploiting the existing economic potential within an area. The Department's involvement in this project is focused on hard infrastructure provision, black economic empowerment, skills transfer and the creation of sustainable jobs.

#### Information

The World Road Association (PIARC) will hold its 22nd Congress in Durban from 19 to 25 October 2003. Some 100 countries and roads agencies are expected to attend.

The Congress will comprise four types of sessions, including a Strategic Direction Session devoted to the five Strategic Themes of the PIARC Plan 2000 – 2003.

Issues such as road technology, road transport, livability and sustainable development will be covered during these sessions.



The SDIs are Lubombo, West Coast, Fish River, Maputo Development Corridor, Wild Coast, Platinum, Phalaborwa and Richards Bay.

## Municipal roads

Construction and maintenance of most roads and streets within the municipal boundaries of cities and towns is the responsibility of the municipality concerned.

## Toll-roads

Toll-roads cover some 1 900 km and are serviced by 24 toll-plazas.

The viability of every toll-road is determined over a 30-year period to assess the private-sector funding which can be sustained and served. The performance of all toll-roads is within the forecast, and in many cases roads perform better than forecast. It is envisaged that all major new toll-road projects will be financed through the Build, Operate and Transfer principle. This allows greater private-sector involvement in the financing, building, operation and maintenance of toll projects. When the concession period expires, the facility is transferred back to the State at no cost.

Construction of the N4 Maputo Corridor Toll-road has begun, and will include 70 km of new road, 112 km of rehabilitation and 240 km of road-widening. The new road, to be completed in two years, will be one of the few privately-financed cross-border toll-roads in the world. Ownership of the N4 Maputo Corridor Toll-road, for which Trans African Concessions is the concessionaire for 30 years, will revert to the South African and Mozambican governments after the concession agreement expires. It is the first international toll-road in Africa.

At the official launch of the Bakwena Platinum Highway near Rustenburg in February 2002, the Minister of Transport said the N4 highway, which closes the link between the Maputo Harbour in Mozambique with Walvis Bay in Namibia, created the first high-quality transcontinental route in sub-Saharan Africa.

The road reduces export and shipping times with as much as 10 shipping days, while the distance by road between Johannesburg and Windhoek is shortened by some 500 km. Other benefits of the Highway include injecting R3 billion into the economy, creating 3 000 direct jobs during the construction period, and opening doors for foreign direct investment.

An analysis of the project also revealed that the project would contribute at least R2,2 billion per annum to the gross domestic product. Of this amount, at least 61% (R1,35 billion) will manifest in the region itself.

Toll-roads funded by the NRA include the N1 South extension in the Free State between Kroonstad, Welkom and Bloemfontein at an investment value of about R180 million. Future projects in this category include an N17 East toll-road in Gauteng and Mpumalanga, N4 East below Hans Strijdom and the Gauteng-Mpumalanga border, and an N1 North extension in Limpopo (formerly the Northern Province). The roads' total investment value is R863 million.

## Road expenditure

The need for investment in road infrastructure is growing while total expenditure on the road system has been declining. As a result, the estimated backlog in expenditure on roads is rising, being R3 billion on the national road network and R27 billion in total, with a further backlog of R3 billion for access roads. During 2000/01, there has been a welcome increase in road expenditure budgets. Transfers to the NRA have increased by an average of 11% per year from 1998/99 to 2002/03; from R654 million to R1 241 million as more funds were allocated towards the building and maintenance of roads.

The project was also named 'Deal of the Year' by adjudicators under the auspices of Project Finance International.

## Road-traffic signs

A revised road-traffic sign system, which

closely conforms to international standards, has been phased in since November 1993.

The revised system involves changes to the colours of some of the regulatory and all of the warning signs, changes in design parameters, the modernisation of text and symbols, and the addition of new signs, signals and markings. Many of the new signs make use of symbols rather than text to eliminate language problems and to reduce observation time.

South Africa prepared a road-signs manual for the SADC in terms of the 1998 Protocol on Transport, Communications and Meteorology. South Africa has since started phasing in new SADC-aligned signs on its roads and other cross-border roads. The previous system was concurrently legal with the new system until 31 December 2000, by which date all the old signs had to be phased out and replaced with new signs.

To simplify the navigation task for tourists, foreigners and drivers in unfamiliar areas, as well as to promote global uniformity, it was agreed that drivers should make use of route maps (readable in any language) and route numbers to guide them towards their destinations (all major routes and main streets in urban areas are numbered and displayed on readily available maps).

## Public transport

In terms of the Constitution of South Africa, 1996 (Act 108 of 1996), legislative and executive powers in respect of public transport are a provincial competency. National government, however, is responsible for policy formulation, monitoring and strategic implementation. The national Department of Transport continues to administer subsidies for buses and other subsidised forms of public transport.

### National Transport Register

The establishment of the National Transport

Register is a requirement of the National Land Transport Transition Act, 2000 (Act 22 of 2000). The purpose of the Register is to integrate the land transport systems, i.e. the Subsidy Management System (SUMS), the Land Transport Permit System (LTPS) and the Registration Administration System (RAS). The primary goal of the LTPS is to facilitate the issue of public road-carrier permits to regulate entry into the road-carrier markets. The objective is to facilitate the processing of permit applications and to enable the Local Road Transportation Boards (Provincial Permit Board) to provide an efficient service to the industry. In achieving this goal, the System supports the Boards with:

- registering applications
- generating and verifying advertisements
- capturing objections and appeals
- generating agendas
- verifying vehicle information
- generating permits and permit transfers.

The primary goal of the RAS is to facilitate the registration of minibus-taxi associations with the Provincial Registrar to formalise the industry. They support the Registrar with:

- registering members and associations
- registering vehicle particulars of members
- registering corridor particulars of associations
- management reporting.

The primary goal of the SUMS is to manage claims received from provincial departments for bus contracts, and to manage payment.

### Urban transport

Metropolitan transport advisory boards govern urban areas, which have been declared metropolitan transport areas. Both short and long-term programmes for adequate transportation development are drawn up by the core city of each area, and are revised and adjusted annually.

Nine such core areas exist, namely Johannesburg, Cape Town, Pretoria, Durban, Pietermaritzburg, Port Elizabeth, the East Rand, Bloemfontein and East London.



The planning of transport for metropolitan and major urban areas must be done in accordance with a growth management plan, and travel modes should not compete with each other. In urban areas, passenger road-transport services are provided by local governments and private bus companies, which operate scheduled bus services between peripheral areas and city centres, and by minibus-taxis.

The Department will support provincial departments of transport and public works in the construction of intermodal facilities and in their efforts to achieve integration between bus and taxi operations.

The taxi industry has shown phenomenal growth during the last few years, leading to a decrease in the market share of the bus and train as modes of transport.

### **Motor vehicles**

On 31 December 2001, there were some 6,9 million registered vehicles in South Africa, more than 3,98 million of which were motor vehicles. The number of private motor vehicles continues to grow at a rate of 1,7%.

### **Minibus-taxis**

There are close to 127 000 minibus-taxis in South Africa, which provide 65% of the 2,5 billion annual passenger trips in urban areas and a high percentage of rural and intercity transport.

The South African Taxi Council (SATACO) is the umbrella body for all provincial taxi organisations, and strives to regulate, formalise and stabilise the industry. The Council acts as a mediator in disputes between taxi organisations, and plays a role in eliminating the causes of taxi violence.

In May 1999, the government signed a MoU with SATACO, paving the way for the replacement of the industry's ageing fleet and its absorption into South Africa's formal economy. The Memorandum commits SATACO to, among other things, act against violent elements in the industry, participate in the regulation of the industry by ensuring its members have legal

operations, and implement a programme of acceptable labour practices. Government, in turn, is bound by the Memorandum to find an acceptable solution to the industry's recapitalisation crisis, to legalise illegal operations within agreed parameters, and to provide taxi operators with extensive training.

The national Department of Transport launched the Be Legal Campaign (BLC) in Johannesburg in March 2001. The Campaign was a national short-term emergency campaign driven and co-ordinated in conjunction with provinces and in partnership with local government.

The Campaign provided an opportunity for illegal minibus-taxi operators to apply for operating licences in terms of the National Land Transport Transition Act, 2000 and to subject the whole industry to regulation and effective law enforcement.

By June 2002, six provinces were busy with the BLC exercise while three were nearing completion.

The first National Minibus-taxi Conference was held in September 2001 in Durban. Some 1 000 delegates attended. Issues such as the Taxi Recapitalisation Programme, road safety and government subsidies were discussed. The industry is now united and more joint decisions are being taken without much fear of reprisals. There is now less violence, intimidation, harassment, fights over routes and general lawlessness within the industry.

### **Taxi Recapitalisation Programme**

The aim of the Taxi Recapitalisation Programme is to replace, over a five-year period, the current ageing taxi fleet with new, locally assembled 18 and 35-seater vehicles specifically designed to meet the high quality and safety standards required for public passenger transport.

Key to the Programme will be a strong empowerment element involving the establishment of taxi co-operatives to liaise with financiers, distribute the new vehicles, and provide the facilities for a compulsory maintenance programme. The co-operatives will be

established after extensive consultation with local taxi organisations.

The aim is to ensure that the new vehicles are manufactured locally and to tap into South Africa's highly diversified components-manufacturing sector. The vehicles will use diesel, which is cheaper than petrol and which will be distributed by co-operatives. Diesel will also cut back on noxious exhaust emissions. The taxis will contain unique features such as a stalling device to prevent overloading and so-called smart-card payment systems.

The Programme, developed by a task team representing the departments of Transport, Trade and Industry, Minerals and Energy, and the National Treasury, in partnership with the taxi industry, will be facilitated via a permit swap system (old for new) and a scrapping allowance, which will be available to legal owners of existing vehicles to offset the price of the new vehicles. The scheme has built-in regulatory levers in the form of compulsory registration of new vehicles on a national permit database and forced maintenance contracts linked to the residual (scrapping) value of the vehicle at the end of its effective life.

It is envisaged that the Programme will be completely rolled out by 2006/07.

### **Bus transport**

A network of public and privately owned passenger bus services links the major centres of South Africa and also serves commuters in the deep rural areas. A spate of serious bus accidents in the latter half of 1999 led Cabinet to approve far-reaching measures intended to improve public transport safety. These included the immediate intensification of law enforcement, lowering the maximum speed limit for buses and minibus-taxis to 100 km/h, and a fitness-testing programme for buses.

An informal consultation process is under way with freight and public transport employers' associations and trade unions. This will be followed by formal negotiations to build consensus around self-regulatory measures and

legislative or regulatory changes deemed necessary for tighter fleet safety management.

International models being explored emphasise the need for a formal safety fitness-rating methodology. A vehicle operator receives a safety rating when an accredited or authorised safety specialist conducts an on-site review of the operator's compliance with applicable safety and hazardous material regulations. In terms of the formal compliance review, the operator will then be awarded one of three ratings: satisfactory, conditional or unsatisfactory.

To meet safety-fitness standards, the carrier will have to demonstrate that it has adequate safety-management controls in place to reduce the risks associated with:

- inadequate levels of financial responsibility
- inadequate inspection, repair and maintenance of vehicles
- Professional Driver's Permit standard violations
- the use of unqualified and fatigued drivers
- improper use of motor vehicles
- unsafe vehicles operating on highways
- failure to maintain collision registers and copies of collision reports
- motor-vehicle crashes
- driving and parking violations
- violation of hazardous materials regulations.

The operator of a vehicle that has received an unsatisfactory safety rating will have a specified period of time from the effective date of rating notice to improve the safety rating to 'conditional' or 'satisfactory'.

If these improvements do not occur, the carrier will be prohibited from operating commercial motor vehicles or transporting passengers for reward.

## **Cross-border transport**

### **Multilateral**

The SADC Protocol on Transport, Communications and Meteorology provides a comprehensive framework for regional integration



across the entire spectrum of the transport, communications and meteorology sectors. The general objective is to promote the provision of efficient, cost-effective and fully integrated infrastructure and operations in these fields.

The Protocol also specifically addresses road transport, and aims at facilitating the unimpeded flow of goods and passengers between and across the territories of SADC member states. It wants to promote the adoption of a harmonised policy, which lays down general operational conditions for carriers.

Cross-border transport within the Southern African Customs Union (SACU) is undertaken in terms of the SACU MoU. The Memorandum facilitates transport between member countries through, among other things, the use of the single-permit system.

The Memorandum provides the framework for co-operation between the signatory countries, which has resulted in the establishment of various technical working groups for such things as traffic standards, road-user charges and passenger transport.

The activities of the passenger transport working group led to the establishment of Joint Route Management Committees (JRMCS) for certain cross-border passenger routes within SACU. The JRMCS comprise representatives from the public and private sectors of the countries concerned, and are aimed at jointly managing the routes in consultation with all stakeholders.

### **Bilateral**

The main thrust of bilateral agreements is to facilitate and encourage cross-border road transport in support of regional trade.

This is promoted through, among other things, the entrenchment of the principle of extraterritorial jurisdiction, the entrenchment of a strategic public-private sector relationship, and the establishment of consultative mechanisms that are sufficiently flexible to promote the joint management of implementation.

The Maputo Development Corridor between South Africa and Mozambique is a good example.

The two governments also signed agreements dealing with road freight and passenger transport between the two countries, which will facilitate the movement of goods and people by road and eliminate bureaucratic proceedings at border posts.

The project will also include the upgrading and modernisation of the railway line between the two countries, and of Maputo Harbour, at a cost of about R150 million.

### **Domestic**

The CBRTA fosters investment in the cross-border road transport industry, and provides high-quality cross-border freight and passenger road transport services at reasonable prices. The Agency works on a cost-recovery basis, and any profits from cross-border permit fees are ploughed back into the system through a price reduction on permits in the following financial year. It also encourages small-business development in the industry.

### **Goods transport**

Since the mid-eighties, the southern African road transport industry has grown considerably.

Approximately 80% of all freight carried in South Africa is conveyed by road, while nearly 7% of the gross national product is spent on freight transport.

### **Road-traffic safety**

South Africa's road-vehicle collision and fatality rates compare poorly with those of most other countries. Every year about 10 000 people are killed and 150 000 injured in approximately 500 000 accidents. The cost of road-traffic accidents is estimated at more than R13 billion a year.

Greater road-safety awareness has been generated through the activities of the Arrive Alive Campaign, which is part of the Road to Safety Strategy.

The Strategy involves the creation of the RTMC that will be responsible for vehicle

registration, traffic information systems, public communication and traffic law enforcement. The RTMC will be set up under a shareholder committee consisting of the national Minister of Transport, the provincial transport Ministers and the South African Local Government Association.

The process for adjudicating road-traffic offences has been reformed and is now administrative, rather than judicial. The Road Traffic Infringement Agency will serve as the collection agency for outstanding traffic fines and adjudicate contested traffic offences. This is supposed to be a more efficient and effective system for administering traffic offences.

The Constitution authorises provinces to exercise legislative and executive powers pertaining to road-traffic safety, while the promotion thereof is primarily the responsibility of the Department of Transport. The Road Traffic Safety Board (RTSB) endorses and acts as guardian of the Road Traffic Management Strategy (RTMS), assists in the identification, formulation and prioritisation of projects, monitors progress and gives direction in the implementation of the RTMS. The RTSB is made up of members of all three spheres of government as well as traffic stakeholders in the private sector. The Ministers of Education, Health, Justice and Constitutional Development, Provincial and Local Government, Safety and Security, and Transport serve on the Board.

Three Acts provide for the national co-ordination of regulation and law enforcement, the registration and licensing of motor vehicles, and the training and appointment of traffic officers. These are the RTMC Act, 1999 (Act 20 of 1999), the National Road Traffic Amendment Act, 1999 (Act 21 of 1999), and the Administrative Adjudication of Road Traffic Offences Amendment Act, 1999 (Act 22 of 1999).

The Administrative Adjudication of Road Traffic Offences Amendment Act, 1999 provides for a more efficient system of collecting traffic fines and for the introduction of a points demerit system, linked to the new

credit card-format (CCF) driver's licence. In terms of the Act, a motorist's driver's licence will be suspended when he or she has 12 penalty points against his or her name. For every point over and above 12, the motorist's licence will be suspended for three months. Points can easily be accumulated, for example, four points each for exceeding the speed limit by 50%, driving an unregistered vehicle, refusing to undergo a blood or breathalyser test, or driving a vehicle without registration plates. The use of hand-held cellular phones in vehicles is not allowed and non-compliance could cost a motorist two points.

When a licence is suspended for a third time, it will be cancelled and the motorist will again have to undergo a driver's test. In more serious cases, a court may forbid a motorist to drive on a public road ever again. However, the system in no way detracts from the accused's constitutional right to a fair trial. The points demerit system is to be implemented in phases.

The establishment of the RTMC is specifically intended to redefine and strengthen the structures and mechanisms for co-operation between the national, provincial and local spheres of government in support of their responsibilities for road-traffic strategic planning, regulation, facilitation and enforcement, and to ensure uniformity in law enforcement and road-traffic management country-wide. The objectives are to curb fraud and corruption, increase private-sector involvement in road-traffic management, and improve the quality of service to the public.

The RTMC will create a single umbrella structure, which will address functions such as vehicle and driver testing and licensing, standards monitoring, research, and professional career development of traffic officers. It will also set up a Traffic Academy.

#### **Arrive Alive**

Government's Arrive Alive road safety campaign aims to:

- reduce the number of road-traffic accidents in general, and fatalities in particular, by 5%



compared with the same period the previous year

- improve road-user compliance with traffic laws
- forge an improved working relationship between traffic authorities in the various spheres of government.

During January 2001, representatives of all nine provinces identified 10 locations in their respective regions which are particularly hazardous to pedestrians, and undertook to initiate remedial engineering measures in those locations.

The engineering projects are supported by appropriate education efforts aimed at adults and children, and by public awareness and enforcement campaigns to ensure compliance to the new or changed facilities. The Council for Scientific and Industrial Research is responsible for the evaluation of these 90 projects and for preparing a report on the effectiveness of the campaign.

Pedestrian problems are not restricted to South Africa. As indicated in Global Road Safety Partnerships literature, they are prevalent in all developing and transitional societies because of a variety of factors. In some countries, pedestrian fatalities amount to up to 70% of road deaths. Although South Africa's rate is much less at between 30% and 40%, it is still unacceptably high. Factors which have exaggerated the problem in South Africa include lack of infrastructure such as adequate pavements or road-crossing facilities, lack of education in road usage, a traffic mix with vehicles and pedestrians sharing the road, poor town and transport planning of facilities such as schools and

community halls, and an absence of law enforcement.

Important strides have been made in integrating road-safety awareness education into the mainstream school curriculum as a set of basic life skills that can be continuously expanded and deepened over time.

The implementation of road-safety education has been planned and prepared in detail by task teams from the departments of Transport and Education.

Pre-school level through to Grade 9 will be exposed to systematic, practical road-safety education within the framework of the 'life-skills' component of their curriculum.

All the required learning materials for grades 10, 11 and 12 was expected to be ready by 2002, but these modules will only be introduced within the implementation time-frame set by the Department of Education.

## Road-traffic control

The Department of Transport is responsible for co-ordinating and harmonising traffic control (law enforcement) in South Africa. This is done in liaison with the provinces, which have legislative and executive powers in this regard. The aim is to enhance traffic quality, promote voluntary compliance by road users with rules and regulations, reduce the incidence of traffic offences, prevent accidents, ensure effective adjudication, and implement improved management.

An important facet of the Department's work is the development of a standardised management system for traffic control at micro level, to assist traffic authorities in managing their internal and external environments optimally and to achieve the highest levels of traffic quality, subject to the limited availability of resources.

The traffic management model has been implemented by approximately 100 provincial and local traffic authorities.

Other functions undertaken by the Department include the following:

### Information

In December 2001, the Minister of Transport opened the first on-site National Arrive Alive Information Centre in Midrand, Gauteng. The Centre is based at the Shell Ultra City, north-bound on the N1 from Johannesburg to Pretoria.

The Centre advises road users on road conditions, provides tips and hints on how to arrive alive and gives direction and any other relevant information that will assist drivers to drive safely.

- developing a standardised training system for traffic personnel
- developing a proactive traffic-control system, with special emphasis on community involvement in the improvement of traffic quality
- facilitating the national overloading control programme for the protection of roads on rural, metropolitan and urban routes, and several other co-ordinated programmes regarding critical road-traffic offences or modes, e.g. alcohol abuse, speeding, following distance, tyre condition and pedestrians.

The National Traffic Information System (NaTIS) is an online system, allowing traffic authorities to key in and verify the particulars of a transaction while the applicant is still in the office.

The conversion to the CCF licences will improve the operation of the System, which is expected to save the country millions of Rands by making traffic administration more efficient and reducing traffic accidents, forged licences and vehicle theft. NaTIS provides for:

- vehicle registration and licensing
- driver and professional driver registration
- registration of authorised officers, and vehicle and driver-testing facilities
- recording of traffic offences
- recording of collisions.

### Road Accident Fund (RAF)

The RAF compensates victims of motor-vehicle accidents under the terms and conditions provided for in the relevant legislation. The Fund receives a dedicated RAF levy, which is imposed on petrol and diesel. A proposed increase of a further 5,5 cents per litre (10,8%) in the levy was presented by the Fund to the National Treasury to improve the revenue. However, it was finally agreed that a 2-cents levy for both petrol and diesel would be more appropriate, given the inflation target.

The administration of the Fund and benefits payable are being reviewed and a RAF Commission has been established to investigate ways in which the Fund can be restruc-

tured. The Commission is still investigating the restructuring process.

In an open letter to the public in May 2002, the Minister of Transport said Parliament would have an important role to play in considering the report compiled by the Satchwell Commission into the Fund's activities.

It is likely that government will have to initiate legislation to present to Parliament during the process, which is expected to take another few years.

However, for the interim period, the RAF prepared a Draft Road Accident Amendment Bill in 2002, which proposes among other things:

- the capping of passenger claims (at present R25 000)
- authorising the Fund to pay substantial general damages for ongoing pain, suffering, etc. by way of instalments rather than a once-off cash lump sum
- abolishing the right of medical service-providers to claim expenses incurred by patients directly from the Fund
- restricting the upper limit of non-resident claims
- providing for a managed health-care arrangement by proactively case-managing victims' treatment needs.

Pending the investigations, the Fund itself is investigating ways to minimise fraud and corruption. A redesigned claims management process accompanies this.

The claims process is being electronically monitored, so that documents and decisions may not be interfered with anonymously. The Fund is also investing in forensic investigations.

The Minister of Transport, in conjunction with the Chief Executive Officer of the RAF, also developed a proposal that each RAF office should have available a team of three or four persons, such as retired lawyers, accountants, doctors and consumer representatives, to form a group which can act in an advisory capacity to the RAF to help reduce its backlog over a period of one or two years to manageable levels.



## Rail transport

The upgrading of Metrorail rolling stock and signalling equipment continues. In July 2001, the new 10M4 series of coaches was launched. By the end of 2002, it was expected that there would be 176 Metrorail coaches.

In addition, there are 15 projects under way to upgrade signalling systems at various places. Seventy-three train station upgrades have been completed across South Africa. A further 14 upgrade projects are in progress.

The implementation of the National Land Transport Transition Act, 2000 resulted in a focus by newly elected metropolitan or unitary authorities on their obligations and rights relative to commuter rail. Most of the bigger cities have already started processes to ensure the establishment of appropriate structures such as metropolitan transport authorities to control commuter rail concessions within their sphere of authority.

The Railway Safety Regulator Act, 2002 (Act 16 of 2002), intends to establish an independent, regulatory and oversight body to ensure that the necessary rail safety framework is managed to the best of the country's ability.

The Railway Safety Regulator will work in close partnership with the industry to conduct safety audits, develop appropriate regulations, and to ensure that appropriate safety management systems are established, and adhered to.

The intention of the Act is to create coherent regulations, which can be implemented by operators within an overall safety framework and safety management plan.

The Railway Safety Regulator will be empowered to conduct accident investigations and audits across the industry, to inform and establish realistic and practical measures to prevent accidents, and to address, in a structured manner, any unsafe condition in the rail system.

### Spoornet

Spoornet is the largest division of Transnet, a commercialised business with the State as

shareholder. Transnet was created in 1990 as a result of government policy to commercialise its transport business interests and deregulate the transport industry in South Africa. Spoornet's core business lies in Freight Logistics Solutions (FLS) designed for customers in numerous industry-based business segments, and mining, heavy and light manufacturing sectors.

Spoornet is the largest railroad and heavy haulier in southern Africa with an annual turnover of R9 billion, generated by the transportation of 180 Mt of freight. The company has a 60% market share of the 170 billion Mt kilometer cargo available in South Africa. To serve these markets, it utilises 3 600 km of track, 3 285 locomotives and 123 580 wagons.

Spoornet maintains an extensive rail network across South Africa and connects with rail networks in the sub-Saharan region. Its infrastructure represents 80% of Africa's rail infrastructure.

### Freight Logistics Solutions

In line with current market demands, Spoornet's vision is to be the leader in FLS. To achieve this vision, the company has devolved from its rail competencies to warehousing, transport (including long haul, trans-shipment and feeder services), inventory management, freight forwarding, clearing and other logistical services. Logistics is the management of the entire supply chain, where a supply chain can be described as the flow of goods from supplier through manufacturing and distribution chains to the end user.

Logistics incorporates all the freight transportation modes such as road, rail, airfreight, ocean and barge. It includes warehousing, inventory management, fleet operations, freight forwarding and customs brokerage services. The software and information technology used to support the flow of goods to market is also part of the logistics mix.

Spoornet consists of five business units, each with its own core business focus.

### **General Freight Business (GFB)**

GFB is the largest Spoornet business unit in terms of revenue, customer accounts and the number of people employed. It handles in excess of 52% of its freight tonnage per annum.

GFB conveys about 96 Mt of commodity freight a year, serving customers in specialised diverse industrial commodity markets, namely mining, and light and heavy manufacturing. Structures provide for a sales force dedicated to customers in specific business sectors under a relationship/one-on-one philosophy.

### **COALink**

COALink focuses on the provision of world-class transportation for South Africa's export coal, from the Mpumalanga coal fields to the Richards Bay Coal Terminal at the Port of Richards Bay.

Coal exports constitute an integral part of the South African export industry. South Africa is second only to Australia in terms of tons of coal exported. South Africa is the world leader in terms of steam-coal exports. COALink was formed in 1997 through the ringfencing of the rail operation over the coal-export line and augmenting the structure with a business component and other support functions. This initiative ensured that South Africa remains at the forefront of the world steam-coal export market. Mercer Management Consultants bench-marked the coal-line operation in 1994 against similar operations world-wide. The study rated the bulk export logistics supply chain as 8% more efficient than global best-practice.

A major milestone in the history of the coal-export industry in South Africa was reached in December 2000 when the billionth ton of coal was transported over the coal line and exported through the Richards Bay Coal Terminal. The coal line celebrated 25 years of existence in April 2001.

### **Orex**

Orex, a specialist business unit of Spoornet, deals in the haulage of iron ore over the

861 km track from Sishen to Saldanha Bay. The line is dedicated to the movement of iron ore from the mines in the far Northern Cape to the steel industries in the Western Cape, and for the export of the ore through the Port of Saldanha Bay. The success of this bulk logistics operation depends on close co-operation with the Port and its facilities.

The average iron ore transported per year increased from 175 Mt for the period 1990/92 to 1994/95, to 21,6 Mt for 1999/00. A bench-mark study rated this seamless operation as 38% more efficient than global best-practice.

Orex does not only transport iron ore, but has also become an international player in providing a diverse range of heavy-haul logistics solutions for growing local and international markets. The line celebrated its 25th anniversary in May 2001.

### ***Shosholozza Meyl***

*Shosholozza Meyl* provides an affordable inter-city passenger service between major destinations in South and southern Africa. Approximately four million passengers utilise this service per year.

It operates daily long-distance passenger services between Johannesburg, Durban, East London, Port Elizabeth, Bloemfontein, Kimberley and Cape Town. Services also connect main centres in South Africa with destinations in southern Africa, namely Bulawayo in Zimbabwe, Maputo in Mozambique, and Mbabane, Swaziland.

*Shosholozza Meyl* ensures access for any person or enterprise that wishes to charter a train. Significant time and effort is spent on the design of the train service to fit the client's needs and requirements. The type of coaches that can be hired varies from traditional sleeper coaches to lounge cars, dining cars and open-plan coaches that can be used for parties or lecture rooms. For the more selective traveller, *Shosholozza Meyl* offers a new class of travel, called *Premier Classe*. It consists of two sleeping coaches and one dining *cum* lounge car that is for the exclusive use of



these guests. The sleeping coaches and air-conditioned lounge/dining car can accommodate up to 20 people.

### **LuxRail**

LuxRail's primary focus is on the prestigious operation of the Blue Train, and caters for a growing international tourist market. For over half a century, South Africa's Blue Train has enjoyed an international reputation as one of the world's paramount travelling experiences. It was voted the world's leading luxury train by some 250 000 travel agents in 181 countries at the 2001 World Travel Awards. The Blue Train wine list has, for the past few years, consistently received the Annual Diner's Club Award of Approval.

A lounge car at the rear of the Train complements the unique Blue Train experience by allowing guests to use it as an observation car. The observation car is designed to be converted from a lounge to a 22-seater conference facility with computer, overhead projection, video and slide facilities.

The Blue Train travels from Pretoria to Cape Town, the Victoria Falls and Hoedspruit, and on the famous Garden Route between Port Elizabeth and Cape Town.

LuxRail also manages contracts with other luxury train operators utilising Spoornet's infrastructure, such as Rovos Rail and Spier on the wine route in the Western Cape.

The Blue Train is to be concessioned as part of Spoornet's privatisation process.

### **Social investment activities**

Spoornet contributes to the social fabric of South Africans, and notable social investment activities include the following: the Legal Train, AIDS awareness, Mr ChooChoo Safety Education Campaign, the Spoornet Rugby Excellence Programme, and Saturday schools for Spoornet employees' children to improve their performance in mathematics and science and to offer supplementary courses such as study skills, career guidance and computer literacy. These classes are designed to support the national school curriculum.

### **Operations**

Metrorail is responsible for some 17% of all public transport in South Africa, which amounts to transporting approximately two million people to and from work daily. It serves 473 stations with 2 400 train services. Operating assets to the value of R69 million are managed on behalf of the State.

These include mobile ticket-selling points, customer-care programmes for all frontline staff, station upgrades and a zone fare structure.

### **South African Rail Commuter Corporation (SARCC)**

The SARCC is a State corporation, established in 1990 to provide commuter rail services for the people of South Africa. It falls directly under the Department of Transport, but has its own autonomous board of control. It owns the rail assets and acts as an agency of the Department. Its main sources of revenue are the subsidies to cover operational losses and capital expenditure. The Corporation received transfers from the Department of Transport of R1 727 million in 2000/01.

The Corporation's role as concessionaire is to establish and monitor service standards, safety and security levels, and operating efficiencies. The *White Paper on National Transport Policy* will lead to far-reaching changes in the way commuter rail services are structured in future. According to the White Paper, public and private operators will in future be able to bid competitively for the right to operate a rail line, a service or a network concession.

This has meant a change in the mission of the SARCC to one that ensures the 'provision of effective, efficient and sustainable rail commuter services under concessioning agreements'.

The Department has developed a strategic framework for the concessioning of rail services. Parliament has passed the SARCC Limited Financial Arrangements Act, 2000 (Act 64 of 2000), to effect the transfer of the

SARCC's debt of about R2,2 billion to government. From 2001/02, the Corporation's total expenditure will be funded from the budget of the Department of Transport. In the past, capital expenditure was funded through borrowing – hence the accumulation of debt.

**Metrorail**

Metrorail, a business unit of Transnet, is tasked with the operation of SARCC assets to provide an efficient commuter service. Metrorail only services urban areas. It operates in the Witwatersrand area, Pretoria, the Western Cape, Durban, Port Elizabeth and East London.

Metrorail operations have made steady progress in implementing far-reaching efficiency-improvement projects. This has enabled Metrorail to save the fiscus about 70% of the projected savings of R108 million. At the same time, it has produced healthy returns to its shareholder.

Together with the SARCC, major safety projects have been identified, and significant portions of the R355 million capital funds will be

spent on refurbishing or renewing safety-critical signalling installations. The investment in the refurbishment of rolling stock is continuing, and the increased infrastructural investment as announced by the Ministers of Finance and Transport should also see improvements in other parts of the railway infrastructure.

The Department, together with the SARCC and Metrorail, is looking at streamlining institutional arrangements, improving management, reducing inefficiencies, and dealing decisively with fare evasion and safety and security both on trains and at commuter stations.

The Department has developed a strategic framework for the concessioning of rail services; the current Metrorail service contract is already based on concessioning principles.

The Minister of Transport announced that concessioning would not occur during 2003 as originally planned. This is to give the country an opportunity to review the principles around concessioning and develop a programme to address the challenges around infrastructure investment in the railway industry. It also has implications for the pilot concessioning project that was due to start in 2002. In the meantime, Metrorail and the SARCC have continued to conduct their relationship in terms of the Business Agreement that is firmly based on world-wide concessioning principles.

**Intersite**

Faced with managing a property portfolio of more than 478 stations worth some R2,6 billion, the SARCC formed a property management company in 1992, called Intersite Property Management Services, to perform this task on its behalf. Intersite aims to develop railway stations into transport nodes that link taxi, bus and rail services in an integrated public transport system.

Money earned from the commercial aspects of Intersite's developments is ploughed back to reduce the subsidy provided by government.

**Information**

In his Budget Vote in June 2002, the Minister of Transport, Mr Dullah Omar, said that in the Spoornet restructuring process, government was presented with a number of far-reaching proposals representing a consensus arrived at between labour and government. Cabinet, on the basis of the agreement, took a number of decisions:

- Spoornet's freight businesses, General Freight Business, Orex and COALink will be conducted as one integrated business with loss-making entities integrated with profit-making ones in one enterprise. Further discussions were to take place with regard to Orex.
- Institutional rationalisation should take place in relation to the South African Rail Commuter Corporation and Metrorail with appropriate accountability to the relevant government department.
- The commuter train services in the six metro areas will, together with the mainline service, *Shosholozza Meyl*, be conducted as a single State enterprise under one umbrella.
- Retrenchments will be properly managed and the parties will look at steps necessary to promote efficiencies at all levels.



## Civil aviation

South Africa's aviation policy is being reviewed to move away from protection, introducing greater openness and competition. South Africa is party to the Yamoussoukro Declaration, which provides for the opening-up of the African skies over the next few years.

### Airports

The Cabinet approved the *Green Paper on National Policy on Airports and Airspace Management* in February 1998. The document lays down principles for the development of airports, and calls for the sustainability of public-owned airports to be assessed and for action to be taken where necessary. The Green Paper establishes criteria, ranging from economic activity to the implementation of air traffic control, that should be used to determine which airports could be named as possible international airports.

International airports are those airports where the necessary facilities and services exist to accommodate international flights. The international airports are: Johannesburg, Cape Town, Durban, Bloemfontein, Port Elizabeth, Pilanesberg, Lanseria, Gateway (Polokwane [formerly Pietersburg]), Nelspruit and Upington. In 2000, 8 810 873 passengers moved through these airports.

The Kruger Mpumalanga International Airport is the most recent addition, having been officially opened in October 2002. The

airport is run by the international power and automation group ABB.

ACSA owns and is responsible for the planning, construction and operation of the nine previously State-operated airports. The assets and operations of these airports were transferred to ACSA in 1993. These are Johannesburg, Cape Town and Durban International, and the airports at Kimberley, Port Elizabeth, Bloemfontein, George, East London and Upington. These airports serve about 15 million passengers every year.

The Air Traffic Navigation Service (ATNS) Company is responsible for the efficient running of South Africa's air traffic control systems and the maintenance of navigation equipment, which includes the deployment of air traffic controllers and aviation technical staff.

A joint operations centre at Johannesburg International Airport is the nerve centre of all airport communications and operations.

From here, all activities related to maintenance and building management are co-ordinated. The centre serves as a control office, crisis control centre for emergencies and information technology centre.

ACSA has spent in excess of R500 million on improvements in terminal capacity, runways and taxiways, roads and parking, security and bulk infrastructure. The most significant developments include the official opening of the new international arrivals' terminal at Cape Town International Airport.

A new terminal was also opened at the Durban International Airport, which will provide the airport with the necessary peak-hour capacity until the end of the decade.

Several improvements have been made to Johannesburg International Airport, including the completion of the new public viewing deck above the international terminal, giving the general public open views over the operational side of the airport.

Work has continued on the new domestic terminal (with a capacity of 10 million passengers per year), which includes extensions to the access road system, the new domestic pier with eight loading bridges, and the

#### Information

In March 2002, South African Airways (SAA) was voted Best Carrier in Africa by the Association of South African travel agents. SAA also won the Best International Online Airline Award, which rates airlines and Internet booking systems.

SAA was scheduled to receive its first four new Airbus A-340 passenger jets in the last quarter of 2002. SAA awarded Airbus the contract to build 41 jets for its various routes over the next 10 years.

lengthening of the lead-in taxiways south of the new terminal.

ACSA has budgeted to spend over R700 million on capital works at smaller airports in the 2002/03 financial year. Significant work has already been done at the Pilanesberg Airport to improve its international status and for the runways to accept larger aircraft.

Work will commence in 2002/03 on the improvements and reconfiguration of Port Elizabeth International Airport, which will give the Airport a 33% increase in capacity.

## Scheduled airlines

### Domestic services

Twenty scheduled domestic airlines are currently licensed to provide air services within South Africa. These airlines provide internal flights, which link up to the internal and international networks of South African Airways (SAA), British Airways (BA)/Comair, Interair, SA Express and SA Airlink.

### International services

SAA, BA/Comair, SA Express, SA Airlink and Interair operate scheduled air services within South Africa and the Indian Ocean islands. In addition to serving Africa, SAA operates services to Europe, Latin America and the Far East.

Scheduled international air services are also provided by Air Afrique, Air Austral, Air Botswana, Air France, Air Gabon, Air Madagascar, Air Malawi, Air Mauritius, Air Namibia, Air Portugal, Air Seychelles, Air Tanzania, Air Zimbabwe, Airlink Swaziland, Alliance Express, BA, Cameroon Airlines, Delta Airlines, El Al, Egyptair, Emirates, Ethiopian Airlines, Ghana Airways, Iberia, KLM, Kenya Airways, LAM, LTU, Lufthansa, MK Airlines, Malaysia Airlines, Martinair Holland, Northwest Airlines, Olympic Airways, Qantas, Royal Air Maroc, Saudi Arabian Airlines, Singapore Airlines, Swissair, Taag, Thai International, Turkish Airlines, Uganda Airlines, United

Airlines, Varig, Virgin Atlantic, Yemenia, Zambian Air services and Zambian Skyways.

## Ports

By far the largest, best-equipped and most efficient network of ports on the African continent, South Africa's seven commercial ports have a significant role to play. They are not only conduits for the imports and exports of South Africa and neighbouring countries, but also serve as hubs for traffic emanating from and destined for the East and West African coasts. The National Ports Authority (NPA), a division of Transnet Limited, is the largest port authority in greater southern Africa, controlling seven of the 16 biggest ports in this region.

These are Richards Bay, Durban, East London, Port Elizabeth, Mossel Bay, Cape Town and Saldanha.

The NPA was born out of the restructuring of Portnet, the port management parastatal under Transnet. The NPA's responsibility has been broadly defined as attending to the maintenance and development of port infrastructure.

The restructuring of Portnet into the NPA and the POD (Port Operations Division) came about after government's realisation of the benefits of public and private partnerships. While government plans to retain ownership of the country's port infrastructure, it is envisaged that individual terminals are ultimately going to be leased or concessioned to private operators.

A R4,3-billion investment has been set aside for the NPA for the purpose of addressing infrastructural backlog, its primary responsibilities being landlord and maritime services.

Landlord services focus on the needs of cargo owners and terminal operators, presenting them with comprehensive services – from project conception, terminal design, assessment of environmental factors to concluding stages whereby a lease is signed with



a terminal operator through which the cargo will pass.

Maritime services include the improvement of efficiency in shipping services, the dredging of navigational waterways and ensuring a safe shipping environment by means of vessel-tracing services, pilotage and lighthouse services.

The ports provide:

- pilotage, tug and berthing services
- bulk-handling installations to handle dry and liquid bulk complemented by storage facilities
- container-handling facilities
- multi-purpose terminals for the handling of breakbulk and containers
- access to rail and road links
- ship-repair facilities
- feeder services.

Lighthouse services operate 45 lighthouses along the South African coastline.

The NPA has a Vessel Traffic Systems in all the ports that ensure improved safety of navigation within the port and port limits and enhances the service provided to the port user.

Marine services operate 24 large tugs, eight work boats, four pilot boats and 14 launches in the seven commercial ports of South Africa. Twenty-four-hour services are provided in the ports of Durban and Richards Bay.

The Port of Richards Bay, although a young port by international standards and initially built for bulk exports, has rapidly developed and diversified in other cargo-handling forms. The Port is presently South Africa's leading port in terms of cargo volumes and handles in excess of 80 million tons per year, representing 55% of South Africa's seaborne cargo trade.

It also offers easy access to South Africa's national and rail network with substantial growth capacity in the rail network link.

For industrial investors, there is an abundance of prime industrial land, both immediately adjacent to the Port and further inland. By May 2002, only 40% of land was developed.

The Port hosts five cargo-handling terminals of which three are privately operated and two are operated by South African Port

Operators. The privately operated terminals are the Richards Bay Coal Terminal, Island View Storage, which handles bulk liquids and liquefied gases, and Fedmis, which exports phosphoric acid.

The Port of Durban is a full-service general cargo and container port. It is the busiest port in southern Africa and is also the most conveniently situated port for the industrialised Durban/Pinetown and Gauteng areas and overborder traffic.

As South Africa's premier cargo and container port, the Port of Durban handles over 55 million t of cargo per year. Durban has abundant shipping opportunities, both in terms of frequency and destinations served.

It is especially effective as a hub port for cargo to and from the Far East, Europe and the Americas, serving South Africa as well as west and east African countries. The Port is the premier port for a wide range of commodities, including coal, mineral ores, granite, chemicals, petro-chemicals, steel, forest products, citrus products, sugar and grain.

The Port of East London is situated at the mouth of the Buffalo River on the east coast of South Africa and is the only commercial river port on the South African coastline.

Centrally located both nationally and internationally, the Port is strategically positioned to act as the gateway between Africa and the global market.

A major motor assembly plant is located in East London and a world-class four-level car terminal serves to import and export fully built-up vehicles, which makes up the largest commodity handled. The terminal provides some 2 800 undercover parking bays. With well-developed infrastructure, the Port has become one of the major vehicle export and import terminals in South Africa.

The Port of Port Elizabeth, with its proximity to heavily industrialised and intensively farmed areas, has facilities for the handling of all commodities – bulk, general and container cargo.

Being at the centre of the country's motor vehicle-manufacturing industry, the Port

imports large volumes of containerised components and raw materials for this industry. The bulk of exports comprises agricultural products – timber, wool, textiles, skins and hides in containers as well as palletised citrus and deciduous fruit. Apart from agricultural produce, manganese ore, motor vehicle industry-related products and steel are exported.

The Port of Mossel Bay, primarily serving the fishing and oil industries, also offers limited commercial cargo activity.

This Port is the only South African port that operates two offshore mooring points within port limits. Both mooring points are utilised for the transport of refined petroleum products.

The NPA is building the modern deepwater port while the Coega Development Corporation is developing the entire land-side infrastructure for the Industrial Development Zone.

The area is already well-served by existing transport networks and a skilled labour force.

The Port of Cape Town is a full-service general cargo port. It is world-renowned for its deciduous fruit and frozen products exports. The fishing industry based at the Port of Cape Town is of major proportion.

Over several centuries, the Port of Cape Town has evolved from a half-way supply station on the East-West trade routes of yesterday to a modern deepwater port on the southern-most tip of Africa.

The Port of Cape Town is strategically positioned and is ideally situated to serve as a hub for cargoes between Europe, the Americas, Africa, Asia and Oceania. The Port provides a complex network of services to its clients while providing a favourable environment for all stakeholders so as to maximise the benefit to the local and national economy.

Integrated intermodal cargo systems, ship repair, bunkering facilities and the reefer trade are all examples of these.

Saldanha is a deep-water port and is the largest natural port in southern Africa. The port is unique in that it has a purpose-built

railroad serving a bulk-handling facility, which is connected to a dedicated jetty for the shipment of iron ore.

Saldanha also serves as a major crude oil importation and transhipment port.

## Pipelines

Petronet owns, maintains and operates a network of 3 000 km of high-pressure petroleum and gas pipelines. During 1999/00, Petronet transported 16 billion litres of fuel from coastal and inland refineries to the main business centres in Gauteng and surrounding areas, and some 200 million m<sup>3</sup> of gas from Secunda to KwaZulu-Natal. Petronet's customers are the major oil companies in South Africa.

A number of new Bills, such as the Petroleum Pipelines Bill, have been published to facilitate the private ownership and development of petroleum pipelines, thus facilitating investment in the industry.

## Maritime affairs

### Maritime administration, legislation and shipping

South Africa's maritime administration and legislation is the responsibility of the Department of Transport, and is controlled on its behalf by SAMSA in terms of the SAMSA Act, 1998 (Act 5 of 1998).

The broad aim of SAMSA is to maintain the safety of life and property at sea within South Africa's area of maritime jurisdiction and to ensure the prevention of sea pollution by oil and other substances emanating from ships.

The Department of Environmental Affairs and Tourism is responsible for the combating of pollution, and has specific means at its disposal such as the *Kuswag* coast watch vessels with which to perform this function.

SAMSA is responsible for the introduction and maintenance of international standards set by the IMO in London, with respect to:

- ship construction



- maritime training and training curricula
- watch-keeping
- certification of seafarers
- manning and operation of local and foreign ships
- maritime search-and-rescue
- marine communication and radio navigation aids
- pollution prevention.

SAMSA has an operations unit, a policy unit and a corporate support division to handle all financial, human resources and information technology issues.

Other functions include the registration of ships, the establishment of a coastal patrol service, and the management of marine casualties and wrecks.

SAMSA is steadily improving its capacity to monitor safety standards on foreign vessels. Over the past year, 700 ships calling at South Africa's seven major ports were inspected. Vessels not in compliance with international safety standards were detained until the deficiencies were corrected.

The South African Marine Corporation (Safmarine), Unicorn Lines and Griffin Shipping are South Africa's predominant shipping lines. Their fleets of container, oil tanker, general cargo and bulk cargo vessels operate not only between South African ports, but also as cross-traders to other parts of the world.

### Training

The South African Merchant Navy Academy, *General Botha*, established at Granger Bay, is integrated with the Cape Technikon, with a similar training facility at the Natal Technikon. Deck and engineering students and officers complete their academic training at the Cape and Natal technikons, while lower classes of certificates are offered at the Training Centre for Seamen, situated in the Duncan Dock area in Cape Town.

This training institution also caters for deck, engine-room and catering department ratings.

SAMSA is responsible for setting all standards of training certification and watch-keeping on behalf of the Department of Transport,

while the Maritime Education and Training Board is responsible for the accreditation of all maritime courses.

There are other maritime training organisations, offering a wide range of courses that have been developed within the South African maritime industry and Portnet. These are situated mainly in the ports of Cape Town and Durban and to a lesser degree in Port Elizabeth.

### Search-and-rescue services

The Department of Transport is responsible for the provision of a search-and-rescue function in South Africa. The South African Search-and-Rescue Organisation (SASAR) has been established to provide South Africa with a world-class search-and-rescue capability.

SASAR is a voluntary organisation, and functions under the auspices of the Department of Transport.

Its main function is to search for, assist and, if necessary, rescue survivors of aircraft accidents or forced landings, vessels in distress and accidents at sea. It is also charged with co-ordinating the resources made available to the Department of Transport by various government departments, voluntary organisations, private aircraft and shipping companies for search-and-rescue purposes. The Executive Committee of SASAR, in conjunction with the relevant officials of the Department, is responsible for formulating policy and procedures.

The Department of Transport, South African National Defence Force, Telkom, Portnet, SAMSA, CAA, ATNS Company, SAPS, ICASA, SAA and the Department of Provincial and Local Government are members of SASAR and contribute their services and/or facilities.

Voluntary organisations such as the 4x4 Rescue Club, Mountain Club of South Africa, Hamnet and the National Sea Rescue Institute are also members of SASAR.

The Department of Transport is charged with the negotiation and conclusion of bilateral search-and-rescue agreements with countries bordering on the vast area of responsibility, which is laid down by both the ICAO and the IMO and is approximately 28,5 million km<sup>2</sup>.

In 2000, search-and-rescue negotiations were concluded with five states, and a new Search-and-Rescue Agreement was signed with Namibia in 2001. It was envisaged that negotiations would be carried out with Swaziland, Botswana, Zimbabwe, Angola, Mauritius, Madagascar, US, Uruguay and Brazil.

South Africa initiated discussions on regional co-operation and co-ordination in search-and-rescue by tabling a proposed regional search-and-rescue agreement for consideration by SADC member states.

A Working Group has been established under the auspices of the SATCC's Technical Unit to consider a regional agreement on the co-ordination of search-and-rescue services.

South Africa has contributed significantly to search-and-rescue in the southern oceans with the establishment of the Cospas-Sarsat System. It comprises three segments, namely:

- radio beacons, carried by ships and aircraft
- a space segment
- a ground segment.

Satellite services are provided free of charge in terms of the International Cospas-Sarsat Agreement, but individual countries must provide and pay for the ground segment that comprises:

- Local User Terminals (LUTs) that process relayed distress signals to provide a beacon location and then transmit alert messages to the Mission Control Centre (MCC)
- the MCC which then validates and exchanges alert data and technical information and redistributes it to search-and-rescue authorities.

South Africa has been accepted as a member of the International Cospas-Sarsat Programme as Ground Segment Provider with effect from 1 November 2000.

This will enable its LUT/MCC to be integrated into the global Cospas-Sarsat System. The following countries will be served by the LUT/MCC: Angola, Botswana, Burundi, the Democratic Republic of the Congo, Lesotho, Malawi, Mozambique, Namibia, Rwanda, Swaziland, Uganda, Zambia and Zimbabwe.



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