



**transport**

Department:  
Transport  
REPUBLIC OF SOUTH AFRICA

**DEPARTMENT OF TRANSPORT**

**ANNUAL PERFORMANCE  
PLAN**

**for  
2017/18**

**Republic of South Africa**

# Department of Transport

# Annual Performance Plan

## 2017/18

The 2017/18 Annual Performance Plan for the National Department of Transport is compiled with the latest available information from departmental and other sources.

Some of this information is unaudited or subject to revision.

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The APP is published on  
[www.transport.gov.za](http://www.transport.gov.za)

**ISBN: 978-0-621-45157-3**  
**RP: 25/2017**

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# MINISTER'S STATEMENT OF POLICY AND COMMITMENT

I present the Annual Performance Plan of the Department of Transport (DoT) for the financial year 2017/18 to Parliament, for the Medium Term Expenditure Framework (MTEF). To reiterate our commitment to the National Development Plan 2030 vision, we vow to continue participating actively and intensifying our efforts to contribute towards radical economic transformation as articulated by the President in His State of the Nation address in February 2017. This is the vehicle that will transform the landscape for the benefit of the poor, thus eliminating poverty, reducing inequality and unemployment.

In February 2015, President Jacob Zuma, in his State of the Nation Address (SONA), unveiled a nine-point plan for economic recovery and growth in South Africa. That plan entails:

- Resolving the energy challenge;
- Upping the agricultural value chain;
- Beneficiation through adding value to mineral resources;
- More effective implementation of the higher impact industrial policy action plan;
- Encouraging private sector investment;
- Moderating work place conflict;
- Unlocking the potential of SMMEs, cooperatives, townships and rural enterprises;
- Reform of state owned companies, broad band roll out, water sanitation and transport infrastructure; and
- Operation Phakisa, which aims to grow the ocean economy - such as the shipping and storage of energy products.

The objectives of the 9-Point Plan in relation to Transport Infrastructure are to:

- Improve access to economic opportunities and social space;
- Advance economic development;
- Improve movement of goods;
- Ensure greater mobility of people and goods; and
- Promote regional integration.

The transport sector, due to its intensive use of infrastructure, is an important component of the economy and a common partner in stimulating development. This is even more so in a

global economy where economic opportunities are increasingly related to the mobility of people, goods and information. A direct correlation between the quantity and quality of transport infrastructure and the level of economic development is apparent. High density transport infrastructure and highly connected networks are commonly associated with high levels of development.

When transport systems are efficient, they provide economic and social opportunities with benefits that result in a positive multiplier effect such as, better accessibility to markets, employment and additional investments. When transport systems are deficient in terms of capacity or reliability, they can have negative economic impact such as reduced or missed opportunities and a lower quality of life.

Transport infrastructure and services are crucial for economic development, job creation and social transformation. The challenges facing this sector include poor urban public transport, ageing rolling stock, reliance on foreign ship vessels, poor air transport connectivity on the African continent, inadequate private sector participation, deteriorating provincial roads and the port tariffs structure, amongst others.

The National Development Plan (NDP) offers a long-term perspective. It defines a desired destination and identifies the role different sectors of society need to play in reaching that goal. The 9-Point plan therefore seeks to give meaning to the objectives and aspirations of the NDP. Therefore, in the current MTSF period, in aligning its programmes to the plan, the Department of Transport will oversee the manufacturing of a rolling stock factory in Ekurhuleni, which will ensure that 65% of trains used in the country, are built locally.

We continue to renegotiate and improve air services agreements on the continent to facilitate mobility of goods and people, as part of the Yamoussoukro Decision; reform the port tariffs structure to promote beneficiation. Operation Phakisa, Oceans Economy, ensures support to the local ship building industry; improvement of the ship register and enhance cargo volumes to ensure the vision of radical economic transformation is realised. Provincial roads maintenance is closely monitored and we contribute towards the development of a private sector participation framework and infrastructure funding framework.

The AU envisions that by 2063 the necessary infrastructure will be in place to support Africa's accelerated integration and growth, technological transformation, trade and development. This will include high speed rail networks, roads, shipping lines, sea and air transport, as well as ICT and digital economy. A Pan-African high speed rail network will

connect all the major cities of the continent with adjacent high ways and pipelines for gas, oil, water, ICT broadband cables and other infrastructure. This will then serve as a catalyst for manufacturing, skills development, technology, research and development, integration and intra-African trade, investment and tourism.

Investment in infrastructure over the medium term will be vital in addressing the challenges experienced in infrastructure maintenance and expansion, which is crucial for the stabilisation of our economy and creation of new opportunities for growth, equity and employment. The current socio-economic challenges and the ever-changing environment facing the country and in particular the transport sector, cannot be overcome by the scope and resources of Government or any single role player. Enduring economic partnerships between Government and the private sector are needed to develop trusting relationships for integrated operations, investments and management of transportation infrastructure.

We remain committed to accelerating efforts to upgrade the R573 Moloto Road, which in turn will improve access to economic opportunities and social space and address the road safety challenges. It is anticipated that the upgrade of the Moloto Road will create approximately 10 000 job opportunities, whilst the rolling stock jobs are estimated at 65 000. A further 7 900 jobs will be created from the integrated public transport network programme and another 61 000 jobs will be created as a direct consequence of the implementation of the provincial road maintenance scheme.

In linking our initiatives with the 9-Point Plan, the Department aims to ensure that it maximizes its efforts towards the achievements of the NDP vision. The following shows the priority alignment of the Department in support of the NDP:

### **Contribution to resolving the Energy Challenges**

In the current medium term expenditure framework (MTEF), the DoT will finalise and implement the Branchline Strategy, which will guide the revitalisation of strategic branchlines with the aim of unlocking economic potential of the country and the regions. These branchlines, which are currently a relatively under-utilised part of the country's transport infrastructure, will allow coal suppliers access to have concessions for transportation of coal to power stations.

Branchlines are also crucial for economic development, particularly in rural areas and small towns in the country. Despite the development of other modern and sophisticated

transportation modes, rail transport still ranks as the most efficient means of transport for the conveyance of bulk freight over medium and long distances and for mass commuter traffic.

The Green Transport Strategy (GTS) project is one of the Department's initiatives to implement the White Paper on National Climate Change Response Policy. It aims to emphasise green transportation policy statements, whilst minimizing the adverse impact of transport on the environment and addressing current and future transport demands based on sustainable development principles. Upon its completion, the Strategy intends to produce targeted mitigation factors across all modes of transport, contributing to the reduction of Green House Gas (GHG) emissions and assisting in promoting transport energy efficiency.

It will also limit the negative environmental impacts of the transport sector in South Africa, by providing a distinct portfolio of environmental policy directives and a road-map for the climate change initiatives for the sector. This will be achieved through joint ventures with other spheres of government and civil society. The Department aims to finalise the draft Strategy and submit it to Cabinet for approval and implementation in the current medium term expenditure framework.

### **Contribution to Upping the Agricultural Value Chain**

The Branchline Strategy will also support rural development, facilitate a conducive environment for more freight to move off roads and on to rail; and reduce freight logistics costs. These logistic corridors will then support land-use planning, economic diversification, investment and employment creation.

South Africa's rail system is aged, and based on a narrow gauge. As a result, it is uncompetitive in general freight, which then places a massive burden on road freight, hence standard gauge should seriously be considered. The specific structure of South Africa's transport market is unique and complex because of high concentrations of people, resources and manufacturing plants far from coastal areas. Getting goods to markets implies that all aspects of the supply chain in rural areas be developed. As a guiding principle, the Rural Transport Strategy will facilitate efficient transportation of goods within existing provincial and municipal transport and logistics infrastructures.

## **More Effective Implementation of Higher Industrial Policy Action Plan**

The National Station Improvement Programme, which is intended to modernise commuter stations, is underway. The brief scope consists mainly of painting, tiling, fixing ablution facilities, cleaning and lighting improvements. The National Station Upgrade Programme, which is intended for major station upgrades to address service excellence and revenue generation, will be prioritised on a multi-year basis due to its nature and extent of scope.

## **Supporting Small, Micro and Medium Enterprises (SMMEs)**

The DoT has made significant progress in making a difference to the lives of the people in rural areas. Progress has been made in the rolling out the rural roads programme relating to the improvement of key access roads, expansion grading and paving of road surfaces through labour-based methods in targeted rural areas.

In the current MTEF, the Department has finalised the review of the Rural Transport Strategy, which will provide a balanced approach on rural transport development. The strategic thrusts of the Strategy is to improve nodal linkages to achieve a sustainable transport system in rural areas. The Strategy will also highlight issues of spatial coordination and suitable implementation models to enhance socio-economic development in rural communities.

The Branchline Strategy also advocates for concessions to private enterprises to operate and run some of the branch lines, reducing cost and access to markets whilst in the process creating jobs for locals. The Strategy will also include a practical plan for the introduction of the private sector in branchlines.

The N2 Wild Coast project has been granted full support by the PICC which indicated that a monetary contribution could be available from the fiscus. Nonetheless, the Greenfields portion of the highway will be implemented as a toll road using a hybrid funding model. Funding in the form of fiscal transfers will need to be secured for the N2 Wildcoast Highway.

Construction of a new highway between Lusikisiki and the Mtamvuna River at the existing R61 Mitchell bridge crossing of the Mtamvuna River, including two very large bridges across Msikaba and Mtentu gorges/rivers, and four large bridges to cross the Mnyameni, Kulumbe, Mpahlane and Mzamba rivers/gorges will commence during the first quarter of 2017/18. Significant progress has been made in the construction of Msikaba and Mtentu Bridges.



The DoT will, in the current MTEF, review and strictly enforce all provisions of existing legislation to improve efficiency in the law enforcement operations, while also supporting research and implementation of programmes that will improve the efficiency and operational safety in the Road Transport Sector. Through its partnership with industry roleplayers such as the South African Bureau of Standards (SABS), South African National Accreditation System (SANAS), South African Auditor & Training Certification Association (SAATCA), Transport Agencies and the Council for Science and Industrial Research (CSIR), the Department will continue to support the expansion of self-regulation in the heavy vehicle transport industry. The following South African national standards will be implemented:

- SANS 10399 (Quality Management Systems – Requirement for bus Operators)
- SANS 1395 (Road Traffic Management Systems)
- ISO 39001 (Road Traffic Management Systems)

The DoT will also seek to streamline the delivery of essential road traffic and law enforcement services, facilitate coordination, collaboration and ensure implementation and compliance with agreed uniform national standards for discipline and training among others. Harmonisation of traffic law enforcement will ensure that the overall operational command of the service intensifies effective oversight and enables optimal utilisation of public resources. It will ensure a greater impact on the prevention of road traffic offences, a reduction in road traffic fatalities and effectively contribute to increased visible policing.

In response to the NDP's call of reducing inequality and poverty alleviation, the DoT continues to cooperate with other government departments, agencies, the private sector, and women's organizations in the promotion of socio-economic empowerment transformation programmes that will advance women's development in transport across government and society. The strategic partnership established with SANWIT will ensure meaningful engagements with business and government on issues that impact on women in the transport sector , including entrepreneurship.

These initiatives will advance the governments programme to empower women such that they are able to contribute to the socio economic growth and development of our country, This will also ensure that the women of our country are afforded opportunities to showcase their potential in the creation of wealth and realization of the objectives of our NDP.

As I conclude, I wish to extend words of gratitude to the Deputy Minister of Transport, Ms. Sindisiwe Chikunga for her support, the Portfolio Committee on Transport and the Select Committee on Economic and Business Development for their oversight and guidance. My sincere acknowledgement goes to all transport sector organisations and the broader transport industry for their cooperation; and last but not least, to Team Transport for their hard work and commitment under the leadership of the Acting Director – General of Transport, Mr Mathabatha Mokonyama and his team.



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**MINISTER DIPUO PETERS, MP**  
**MINISTER OF TRANSPORT**

## STATEMENT BY THE DEPUTY MINISTER OF TRANSPORT

The twenty two (22) years since the advent of South Africa's democracy has been a journey towards a destination that is broadly known, "*a better life for all*". Whilst this objective remains the same going into the future, it finds expression in the country's National Development Plan (NDP), which provides a detailed roadmap for development in the years leading up to 2030. The objectives, targets and key considerations of the NDP must furthermore find expression in the planning processes, institutional arrangements and resource allocation of all the Government entities in the country.

As we present this Annual Performance Plan 2017/18 for the Department of Transport, we are aware of the successes and challenges currently facing a number of our modal sub-sectors, especially Civil Aviation and Maritime Transport.

The Department of Transport will continue to implement the objectives of Operation Phakisa Oceans economy. To achieve this, a delivery unit has been created within the Maritime Transport Branch. The unit will assist the Department of Transport and other stakeholders to implement the following interventions:

- Develop a private sector participation framework;
- Support the local ship building and repairs industry;
- Revitalise the current ship registry;
- Create a conducive policy and legislative framework
- Create a conducive environment and opportunities for radical economic transformation

In this regard, significant progress has been made in the finalization of the National Maritime Transport Policy. The objective of the Policy is to serve as the embodiment of Government's commitment to the growth, development and transformation of South Africa's Maritime Transport Sector. It represents South Africa's long-term vision, the underpinning philosophy and principles that inform its development and the direction that government has committed to take its sector to reach its full potential.

A Cabotage Policy has been added as a chapter in the National Maritime Transport Policy. This policy is an endeavour of the Department to reserve the coastal trade to indigenous shipping. The Policy is aimed at developing and promoting South Africa's beneficial participation in the maritime transportation of its international and national seaborne trade. South Africa is convinced that without trade there can be no cargo, without cargo there can be no healthy shipping industry.

Shipping is essential for the promotion and preservation of fixed trade links between trading nations. This is articulated in the White Paper on the National Transport Policy, 1996. The Government

therefore seeks to implement a comprehensive coastal trade system to regulate and provide for the development, governance and exploitation of South Africa's waters including its continental shelf, except where a licence has been granted in terms of the regime or any applicable law. The Cabotage Policy introduces many policy statements that are meant to protect South African trade.

Skills development in the maritime sector remains key. In this regard we have ratified conventions such as STCW & STW-F. We have taken the lead towards ensuring the recognition of international qualifications in maritime.

The Department is working tirelessly to conclude the overhaul of the Merchant Shipping Act in order to ensure alignment with International conventions legislation and practices, including the laws of our major trading partners. It is meant to govern and provide for the control of merchant shipping and related matters. The international fleet is governed by a number of Acts, which fall under the auspices of this umbrella Act. It has undergone so many amendments to a level where South Africa is lagging behind as far as enactment of legislation in this regard. The Department is in the process of overhauling the Act and related pieces of legislation. The Merchant Shipping Act Amendment Bill (Maritime Labour Convention) has already been approved by Cabinet and presented to Parliamentary Committees. The Bill on the Maritime Labour Convention is the one part that deals with Seafarer's Human Rights.

The Yamoussoukro Decision (YD) under Civil Aviation serves as a framework for the gradual liberalization of scheduled and non-scheduled intra-Africa air transport services and endeavours to adopt measures with the aim of progressively establishing a liberalised intra-African aviation market concerning, *inter alia* capacity, frequency of flights and pricing, to enhance cooperation among African airlines in order to stimulate the development of inter-African air transport and to improve the quality of service to the consumers. Ultimately this should enable African airlines to become globally competitive and to take full advantage of commercial opportunities offered by the liberalisation initiatives.

Cabinet has resolved that more consultations be conducted with respect to the finalization of the National Airports Development Plan (NADP). The NADP was initiated by the National Civil Aviation Policy as the plan to address the gaps between the current airport network and the future desired state. It will guide and support both overall network planning and the development of individual airports integrated within their broader spatial and transport contexts, in consultation with key airport stakeholders.

Airports contribute to socio-economic development in a range of ways, including:

- Improving accessibility for people to geographical areas, whether for personal, essential services, business or tourism reasons;
- Allowing for "time critical" in- and out-bound freight;

- Making a location more attractive for investment by certain sectors, in particular knowledge intensive industries, such as biotechnology, pharmaceuticals, universities, and financial services;
- In the case of large airports, also having significant direct impacts on the airport precinct in terms of employment and spend, as well as multiplier effects from employment and spend
- Stimulating infrastructure and property development in the vicinity of the airport
- Contributing to the image of a country
- Ensuring availability of facilities and provisioning for training, recreational and sport aviation in order to create interest in piloting and related professions for the future of aviation.

Using a custom-designed model to measure the job opportunities created through its capital and operational expenditure, ACSA estimated that between 2008 and 2011, 75 000 job opportunities were created, through the airports themselves, and through new opportunities arising from linked sectors. Of the jobs opportunities created, 23 000 were direct, and 52 000 were indirect, thus implying a total job multiplier of 3.3 times.

In its quest to accelerate innovation and speed of delivery of work in the Civil Aviation space, the DoT will intensify projects aimed at industry transformation and development. The Department will also engage the Department of Basic Education to develop curricula in aviation, and also develop educational and awareness programmes with the aim of demystifying aviation.

My sincere appreciations to Minister Dipuo Peters for her leadership and dedication to the mandate of Transport, and the broader transport sector for their cooperation.




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**MS. SINDISIWE LYDIA CHIKUNGA, MP**  
**DEPUTY MINISTER OF TRANSPORT**

## OVERVIEW BY THE ACTING DIRECTOR-GENERAL

The Annual Performance Plan (APP) for the Department of Transport (DoT) for the fiscal year 2017/18 is hereby submitted to the Minister of Transport for approval and tabling in Parliament. The APP complies with Government's prescripts on planning as provided by the National Treasury, the Department of Public Service and Administration (DPSA); and the Department of Planning, Monitoring and Evaluation (DPME).

In compiling this APP, the DoT was guided by commitments of governments as set out in the National Development Plan (NDP), the New Growth Path (NGP) Framework, the Presidential Infrastructure Coordinating Commission (PICC) and the Medium Term Strategic Framework (MTSF) 2014 – 2019.

Over the medium term, the DoT will continue to put more focus on improving mobility and access to social and economic activities, maintaining the provincial and national road networks, upgrading and maintaining rail infrastructure, and improving public transport for rail and road commuters. These activities contribute to the realisation of Outcome 6 (An efficient, competitive and responsive economic infrastructure network) of government's 2014-2019 medium-term strategic framework. The department's total expenditure over the medium term will mainly be driven by transfers to public entities, provinces and municipalities for infrastructure spending, operations and maintenance. These transfers constitute 98.1 per cent of the department's budget over the medium term.

The department's budget is expected to increase at an average annual rate of 6.8 per cent in the period ahead, from R56.3 billion in 2016/17 to R68.5 billion in 2019/20. However, spending on goods and services is expected to decrease at an average annual rate of 1 per cent, from R751.8 million in 2016/17 to R729.1 million in 2019/20, due to reprioritisations to other transport spending priorities. These include:

- R15.9 million to support the operations of the Maritime and Aeronautical Rescue Coordination Centre;
- R19 million to strengthen the regulatory capacity of the Ports Regulator of South Africa; and
- R6 million to develop rail economic regulation capacity in the department in preparation for the establishment of the Single Transport Economic Regulator.

As part of Cabinet's decision to lower the national aggregate expenditure ceiling, the budget for goods and services has been reduced by R49.6 million over the MTEF period.

The department's budget for compensation of employees has been capped at R450 million in 2017/18, R470 million in 2018/19 and R505.9 million in 2019/20, thereby reflecting an increase at an average annual rate of 5.4 per cent over the medium term. An amount of R36.4 million will be reprioritised to fill critical vacant posts at the senior management level in the department and to capacitate the National Public Transport Regulator.

### **Maintaining the national and provincial road network**

The department's allocations to the South African National Roads Agency allow it to strengthen and maintain the non-tolled national road network. Included in the allocations over the medium term are:

- R4.8 billion for the upgrade of the R573 (Moloto Road),
- R29.6 billion for road rehabilitation, R13.9 billion for road maintenance, and
- R1.5 billion for phase 1 of the Gauteng freeway improvement programme.

Cabinet-approved budget reductions of R687.4 million to these transfers over the medium term are expected to delay upgrades and the strengthening of the non-toll network.

Given the significant backlogs in road maintenance, the *Provincial Roads Maintenance Grant* prioritises allocations based on road conditions, weather patterns and traffic. To reseal 13 000 lane kilometres and rehabilitate 4 800 kilometres of provincial roads, expenditure through the grant is expected to increase from R10.8 billion in 2016/17 to R12.2 billion in 2019/20.

### **Upgrading passenger rail infrastructure and services**

The Passenger Rail Agency of South Africa (PRASA) is in the process of modernising its rail services. This includes buying new rolling stock for the Metrorail commuter service and locomotives for the agency's long-distance mainline passenger service; and upgrading stations and infrastructure. Over the medium term, spending on rail infrastructure in the *Rail Transport* programme is expected to grow from R19 billion in 2016/17 to R22.4 billion in 2019/20 as the agency acquires 70 new trains and continues to upgrade its signalling

infrastructure and build depots. The first 18 trains are expected to be delivered by the end of 2017/18.

Although Cabinet approved a reduction of R1 billion on transfers to the agency over the medium term, R3 billion will be reprioritised over the period for the operations of the long-distance mainline passenger service, and R2.7 billion will be reprioritised for the renewal of rolling stock in 2019/20. Spending on Metrorail is expected to subsidise more than 484 million passenger trips per year in the period ahead, and spending on the mainline passenger service is expected to subsidise 2.3 million passengers over the medium term.

### **Improving public transport systems**

The *Public Transport Network Grant* funds the infrastructure and operations of integrated public transport networks in 13 cities across South Africa. Over the medium term, the grant is expected to increase at an average annual rate of 3.8 per cent, from R6.2 billion in 2016/17 to R7 billion in 2019/20, to support construction in the 13 cities and fund the indirect operating costs of services in Johannesburg, Tshwane, Cape Town and George. The number of weekday passenger trips on these networks in these four cities is expected to increase from 163 280 in 2016/17 to 308 681 in 2019/20.

A Cabinet-approved reduction of R622.4 million in the grant will be made over the medium term, which is expected to result in capital programmes being delayed or taking longer to complete.

On behalf of my colleagues, I would like to express my appreciations to the Minister, Deputy Minister, Provincial Transport Members of Executives Committees (MECs), Transport Heads of Departments (HoDs), Chairpersons of the Portfolio Committee on Transport and Select Committee on Economic and Business Development for their guidance and support. I also wish to extend my sincere gratitude to all transport entities, the transport community and transport organisations for their contribution in ensuring that the sector operates effectively, efficiently and economically. Lastly, I would like to thank my colleagues in the DoT, who continue to exhibit exceptional commitment and dedication to public service.



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**MR. MATHABATHA MOKONYAMA**  
**ACTING DIRECTOR-GENERAL**



# DEPARTMENT OF TRANSPORT

## ANNUAL PERFORMANCE PLAN

2017/18

### OFFICIAL SIGN OFF

**It is hereby certified that this 2017/18 Annual Performance Plan:**

Was developed by the management of the Department of Transport under the guidance of the Minister of Transport;

Takes into account all relevant policies, legislations and other mandates for which the Department of Transport is responsible; and

Accurately reflects strategic outcome-oriented goals and objectives which the Department of Transport will endeavour to achieve over the 2015 – 2020 medium term.

**Mr Dan Pretorius**  
Acting Chief Financial Officer

Signature:   
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**Mr Mathabatha Mokonyama**  
Accounting Officer

Signature:   
\_\_\_\_\_

**Ms Sindisiwe Chikunga, MP**  
Deputy Minister

Signature:   
\_\_\_\_\_

**Minister Dipuo Peters, MP**  
Executive Authority

Signature:   
\_\_\_\_\_

# **PART A: STRATEGIC OVERVIEW**

## **Situational Analysis**

### **5.1 Performance Environment**

Whilst striving for excellence and integration of sustained transport services, the DoT and broader transport sector are crucial role players in the achievement of the NDP. In July 2014, Cabinet adopted the 2014-2019 Medium Term Strategic Framework (MTSF), which continues to be used as the comprehensive five-year implementation plan for the NDP 2030 vision. The MTSF also serves as a mechanism through which all plans of Government institutions across the three spheres of Government are aligned to the NDP.

This has been entrenched in the Ministers' Delivery Agreement with the President of the Republic of South Africa. The Strategic Plan is thus aligned with this agreement in order to ensure that all deliverables are budgeted for and fully implemented. Of significance to the Minister and the Department are the following key outcomes:

#### **Outcome 4: Decent employment through inclusive economic growth**

Sub-outcome 1: Productive investment is effectively crowded in through the infrastructure build programme

- Ensure monitoring of off-takes by end users on the infrastructure programme

#### **Outcome 6 – An efficient, competitive and responsive economic infrastructure**

Sub-Outcome 1: Regulation, funding and investment improved

- Establish a Single Transport Economic Regulator (STER)
- Develop a Private Sector Participation (PSP) Framework for ports and freight rail, removing barriers to entry for private investment and operations within the context of Cabinet-approved policy and with an analysis of the implication of tariffs

Sub-Outcome 3: Maintenance, strategic expansion, operational efficiency, capacity and competitiveness of our logistics and transport infrastructure ensured.

- Improve national transport planning to develop long-term plans for transport that synchronize with spatial planning and align infrastructure investment activities of provincial and local government and clearly communicate the state's transport vision to the private sector
- Ensure development and approval of the Integrated Transport Plan
- Develop and implement approved plan and improve market share of containers on rail vs road, to ensure that we move road freight to rail
- Improve and preserve national, provincial and local road infrastructure;
- Strengthen road traffic management
- Improve public transport
- Strengthen institutional arrangements for public transport

Sub-Outcome 6: Coordination, planning, integration and monitoring implementation of strategic integrated projects in the National Infrastructure Plan

- SIP 1: Unlocking the Northern Mineral Belt
- SIP 3: South Eastern Node and Corridor Development
- SIP 4: Unlocking economic opportunities in the North West Province
- SIP 7: Integrated Urban Space and Public Transport Programme

## **Outcome 7 – Comprehensive Rural Development and Land Reform**

Sub-Outcome 5: Increased access to quality infrastructure and functional services, particularly in education, healthcare and public transport in rural areas

- Improve transport infrastructure and public transport in rural areas
- Access Road Development Plan for improving rural road infrastructure implemented
- District municipalities implementing the Integrated Public Transport Network Strategy

## **Outcome 10 – Protect and enhance our environmental assets and natural resources**

### Sub-Outcome 2: An effective climate change mitigation and adaptation response

- Develop strategic policy and regulatory frameworks and programmes to promote a low carbon economy
- Green Transport Strategy and Implementation Plan formulated and completed

# Summary of Key Areas of Service Delivery over the Medium Term

Over the Medium Term Strategic Framework (MTSF), the DoT has identified key areas of service delivery to respond to the sustained and changed agenda of Government. These include:

## **Efficient and integrated infrastructure network and operations**

The AU envisions that by 2063 the necessary infrastructure will be in place to support Africa's accelerated integration and growth, technological transformation, trade and development. This will include high speed rail networks, roads, shipping lines, sea and air transport, as well as ICT and digital economy. A Pan-African high speed rail network will connect all the major cities of the continent with adjacent high ways and pipelines for gas, oil, water, ICT broadband cables and other infrastructure. This will then serve as a catalyst for manufacturing, skills development, technology, research and development, integration and intra-African trade, investment and tourism.

Investment in infrastructure over the medium term will be vital in addressing the challenges experienced in infrastructure maintenance and expansion, which is crucial for the stabilisation of our economy and creation of new opportunities for growth, equity and employment. The current socio-economic challenges and the ever-changing environment facing the country and in particular the transport sector, cannot be overcome by the scope and resources of Government or any single role player. Enduring economic partnerships between Government and the private sector are needed to develop trusting relationships for integrated operations, investments and management of transportation infrastructure.

## **National Transport Master Plan (NATMAP) 2050**

The need to develop a transport master plan was identified by government in an effort to seek to improve the efficiency and effectiveness of a multimodal transport system that is well regulated and well managed within a multisectoral sphere of effective coordination. As a result, the National Transport Master Plan (NATMAP) derives its main goal from the need for a multi-modal transport planning framework which is dynamic, long-term and in line with future transport infrastructure supply facilities.

During the MTSF, the NATMAP has undergone a lengthy process of consultations with various stakeholders and the Cabinet approval process. In the 2017/18 financial year and the outer years completing the MTSF, ten (10) priority pilot projects will be implemented as part of the NATMAP roll out.

### **Single Transport Economic Regulator (STER)**

The Single Transport Economic Regulator (STER) is meant to provide, enhance and guarantee private sector investments in areas that were exclusively State sectors. STER is meant to manage the relationship between infrastructure owners and operators in a transparent manner in how tariffs are set, open up for competition in a regulated way and provide opportunities for access and competition for both the market and in the market.

The development of the STER Bill is at an advance stage and will be tabled in Cabinet for consideration and approval.

During 2015 the Ministers of Transport and Public Enterprises entered into a Memorandum of Understanding (MOU) to establish an Inter-Ministerial Committee as part of developing an Interim Rail Economic Regulator Capacity (IRERC) for the rail sector. The IRERC convened its first meeting in February 2015 and has agreed on 9 priority work streams that will be developed as the nucleus of skills and capacity in the area of economic regulation in the rail sector. The IRERC will provide the necessary advice and recommendations to the Minister of Transport and Minister of Public Enterprises on issues including price setting, access to the network and dispute resolution.

Over the MTSF, data will continue to be collected from rail operators and analysed on the structure and performance of the rail sector and on operator network use and access in order to draft regulatory accounting guidelines and determine where economic regulatory interventions need to be made in the rail sector.

### **Transport Infrastructure Build Interventions**

In general, the South African Government invested in the development of new infrastructure projects over the past and current MTSF. In the current MTSF, the DoT and its agencies will continue investing in the following areas:

## Maintaining the National and Provincial Road Networks

The Department of Transport, will continue to support SANRAL to allay investor concerns around regulatory uncertainty and the future of project implementation. Initiatives against tolling of national roads continue to be a challenge. The Department has mandated SANRAL to implement the 'user-pay' principle, which is in line with the NDP 2030. National road network is responsive to the needs of the nation and its people; and will remain sustainable with the use of a mixture of financing instruments – private sector funding (application of the 'user-pay' principle) for toll roads and public sector funding (government grants) for non-toll roads.

The road users will always be regarded as key stakeholders of SANRAL, and the affordability criterion is of great importance towards the successful implementation of some of SANRAL's projects. Unaffordable transport can constrain people's access to services and opportunities, and impose financial burdens on household budgets.

To deal with affordability challenges, the DoT fully supports SANRAL's application of a tariff discount regime for the regular or local user; and that the applicable tariff must always be less than the sum of the benefits to the user. Also, the Department is in support of SANRAL's efforts to minimise toll tariffs through the introduction of measures such as discounts, reduction of monthly maximum tolls and discounts to the violation accounts in the Gauteng Freeway Improvement Programme (GFIP).

In the Provincial sphere, the S'hamba Sonke Programme (SSP) has resulted in various projects being implemented relating to preventative maintenance of provincial roads, fixing roads being damaged by floods, and maintaining roads that provide access to electricity generating infrastructure.

The SSP projects generally without exception contribute to many of the benefits listed hereunder:

- Improved quality of rural town corridor management. This refer to the VCI and rutting conditions of the facility improved after the intervention.
- Support for the overall transport and access requirements at a network level. Accessibility to surrounding communities, as well as the LoS have been improved after the intervention.

- Contribution to a safer road environment. The end result is a pothole-free, paved road network and an improved rural road network. The number of accidents decreased after the intervention.
- Contribution to the EPWP, as well as labour absorptive construction methods and CDP goals. Employing the household contractor system for the maintenance of rural roads alleviated the poverty of destitute households resulting in a sustainable rural economy. The programme resulted in increased job creation with the aim to create wealth among the poor and empower particularly the youth, woman and people that are physically impaired.
- Facilitation of skills development, mentorship and training.
- Contribution toward improved road asset information management.
- Creation of enterprise development opportunities for new market entrants.
- Contribution towards creating a balanced and well-integrated road network, including the spatial configuration of human settlements.
- Contribution towards normalising the Construction Sector to be representative of South Africa's demographic profile by employing an emerging contractor programme to give Previously Disadvantaged Individuals (PDIs) an opportunity to become business men and women capable of competing successfully in all sectors of the construction industry.
- Contribution towards normalising the Civil Engineering Sector to be representative of South Africa's demographic profile, targeting consulting engineering companies that comply with Black Economic Empowerment (BEE) Codes of Good Practice and that are black-owned and black-managed.
- Contribution towards local economic development and improved service delivery, thus establishing a business sector that includes rural entrepreneurs within the mainstream economy.



## Rail Network Initiatives

The South African rail network is the eleventh largest in the world at 22 298 route kilometres, and total track distance of 30 400km. Public sector railways comprise three distinct vertically integrated entities, namely the Transnet Freight Rail (TFR) division of Transnet SOC Ltd (previously Transnet Limited), the Passenger Rail Agency of South Africa (PRASA), and the Gautrain Management Agency. They fulfil distinctly different roles and responsibilities and have different objectives and service delivery requirements.

However, the absence of National Rail Policy has not allowed for coherent direction to guide development of the rail sector in alignment with rail's global development trajectory. The fundamental purpose of the National Rail Policy is to give much needed direction to the rail sector and will consider the South African setting and its priorities, such as promoting the developmental state, socio-economic development, job creation, eradicating poverty, unemployment and under-development and positioning railways in market spaces that could serve as backbone of the countries logistics and mobility systems.

South Africa's railway network is a national asset and its operational effectiveness impacts the whole economy and society. The National Rail Policy will guide performance improvement in all aspects of rail service delivery for passengers and freight customers, including quality, efficiency, volume, price and inter-modalism. It will drive reduction in the cost of freight services at national level through encouragement of modal shift from road to rail. It will also drive passenger mobility, through higher quality services with increased intermodal connectivity. The implementation of the National Rail Policy is given high priority as its significant contribution will not be limited to the rail sector, but will go beyond that to make significant positive impact on South Africa's socio-economic development.

In the current MTSF, to date, a business case has been developed and approved by National Treasury that drives the revitalisation of the commuter rail network in the country. This modernisation programme concerns five (5) metropolitan areas and includes the upgrading of the signalling system, stations, constructing of a rail manufacturing plant and the manufacturing of 3 600 new trains. Other key achievements are listed below:

- A feasibility study has been concluded for the Moloto Rail Development Corridor and a TA1 application submitted to National Treasury. R3,7 bn has been secured for the upgrading of the R573 Road.

- Green Paper and a draft White Paper on National Rail Policy were developed.
- Establishment of an Interim Rail Economic Regulatory Capacity, functional and approved work plan by Ministers of Transport and Public Enterprises
- Developed revised Branchline Strategy with Private Sector Participation model and selected a pilot line for implementation
- Reviewed current Rail Safety Legislation, developed a Draft Rail Safety Amendment Bill and Draft Railway Safety Strategy
- An Inter-Governmental Steering Committee has been established to oversee the implementation of the new Rolling Stock programme.

The Branch has successfully:

- Accelerated the upgrade of the Wolmerton Depot and Test track
- Secured the Environmental Impact Assessment approval for the construction of the manufacturing plant in Nigel
- Secured the Water Usage License approval for the construction of the manufacturing plant in Nigel

For the 2017/18 financial year, and the outer years towards finalisation of the MTSF, the DoT will prioritise the development of a Rail Policy and Rail Act. The emphasis of this policy imperative will be to:

- Create a conducive environment to allow rail to play a pivotal role in the future South African freight and passenger transport industry and also;
- Guide decision-making to ensure that rail is the backbone of the country's overall integrated transport network and investment strategy

In this instance, the Medium Term Targets set for the National Rail Policy, National Rail Bill and the Rail Safety Regulator Bill has been directly affected by significant policy changes. In October 2015, Cabinet approved the implementation of the Socio Economic Impact Assessment System (SEIAS) and directed that no Policy or Legislation initiatives requiring Cabinet approval should be submitted to Cabinet prior to a Socio Economic Impact Assessment approval being granted by the SEIAS Unit. The Annual Performance Plan targets have therefore been revised to reflect significant policy changes, amendments as a results of evaluating the implementation of the Strategic Plan Programme as well as organisational structural challenges.

The detailed motivation for amendment to the Annual Performance Plan targets for 2017/18 are as follows:

#### National Rail Policy and National Rail Bill

The target set for the National Rail Policy for 2016/17, was to “*Submit the National Rail Policy to Cabinet*”. The target could not be achieved due to a protracted consultation process on the draft White Paper. Green Paper consultations were conducted in all critical Provincial Government Departments, Provincial Political Structures, National Departments, State Owned Entities and Rail Sector forums.

Inputs received necessitated further consultation and research to support evidence based policy formulation and to ensure critical issues that may negatively affect stakeholders could be resolved as amicably as possible. Some of the comments received suggested fundamental departure from the policy direction envisaged in the Green Paper on National Rail Policy. It must further be noted that South Africa has never had a National Rail Policy and that careful and comprehensive consideration of policy objectives is required before finalising the White Paper.

The development of the National Rail Bill is directly affected by Cabinet’s approval of the White Paper and guides the implementation of the policy objectives put forward in the White Paper.

#### Implementation of Economic Regulations for the Rail Sector within the STER

The medium term targets for the 2018/19 and 2019/20 financial years are “Monitor implementation of Economic Regulations for the Rail Sector within the STER”. These targets were set in anticipation that the founding legislation for the establishment of the Single Transport Economic Regulator (STER) would be in place by December 2016. This was in line with the Minister of Transport’s Service Delivery Agreement.

A STER Bill has been drafted and was forwarded to Cabinet for approval. Cabinet has referred the Bill back for further consultation with key stakeholders such as the Department of Public Enterprises and its entities such as Transnet. The matters and discussions are around proposals made in the Bill in the absence of a policy guiding the STER. A further period needs to be built into the STER process to allow your engagements on issues of contention. The STER Bill still needs to follow a process of Cabinet approval, consultation

and parliamentary approval before the legislation can be finalised. This process is likely to take between 18 months to two years.

In the absence of the STER being created as a creature of statute, Economic Regulations for the rail section cannot be finalised. “Monitoring of the implementation of Economic Regulations for the Rail Sector within the STER” which is the 2018/2019 and 2019/20 medium term target in the Strategic Plan will therefore unlikely to be achieved.

In the absence of the STER, the Interim Rail Economic Regulatory Capacity (IRERC) that has been established will make recommendations for approval to the Minister of Transport and Minister of Public Enterprises on priority areas that require economic regulation.

### Integrated Public Transport Networks

In the 2015/16, municipalities have continued to implement Integrated Public Transport Networks and initial services have started in Tshwane, Johannesburg, Cape Town, and George. In the 2016/17 financial year, services started in a few other municipalities and the 2017/18 financial year will see services resume in Rustenburg, Polokwane, and eThekweni.

To date, the cities implementing Integrated Public Transport Networks are carrying a combined total of over 100 000 passengers per weekday, have facilitated the procurement of nearly 1 000 vehicles worth over R3bn, that are universally accessible for all users, especially the elderly and people with disabilities. These cities have constructed over 110 km of dedicated lanes and have committed over R2bn to supporting affected minibuss operators.

Over the MTSF, the DoT will invest R19 billion in total in these municipalities. The target is to have services running in all 13 cities before the end of the MTEF period in 2018/19, translating into an increased number of total weekday passengers carried to over 200 000 a day. In this regard, the cities of Mangaung, Msunduzi and Buffalo City will fast track planning and augment their implementation capacity.

### Regional Integration Initiatives

The Cross-Border Road Transport Agency (C-BRTA) has been self-funded, since its establishment in 1998, primarily through the levying of fees for the issuing of cross-border permits. In 2011, the Agency increased the permit tariffs for the first time since 2003 to

improve its revenue base from approximately R50 million to a current revenue base of R168 million. The 2011 Amendment Regulations were challenged by some freight operators. The Constitutional Court in May 2015 ruled in favour of the operators which effectively meant that the 2011 Permit Tariff Regulations were invalid with retrospective effect, which in turn created a liability of over R356 million to be refunded to operators. This liability as well as the threat that the current revenue streams create uncertainty regarding the Agency's ability to remain a going concern.

Given the impact on its financial position and cash flow, the Agency thus developed a turnaround plan that will enable it to generate funding to support its operations while at the same time generating surpluses to reduce its liabilities. This plan seeks to articulate proposed interventions to turn-around the Agency to a position of financial sustainability, improved and impactful service delivery offerings, which add value to the industry and its customers. For the Agency to achieve this, it will need to redefine its focus and put more emphasis on regulating the cross-border industry which in turn will generate income for the Agency. However, the implementation of some initiatives/interventions will necessitate amendments to be made on the mandate as articulated in the Cross-Border Road Transport Act, Act No. 4 of 1998.

### Maritime Transport Policy (MTP)

South African's length of the coastline is estimated to be approximately 3 000 km. In South Africa, the greatest challenge has been the absence of maritime transport policy that is required to provide guidance to the industry. This much awaited Maritime Transport Policy (MTP) will create certainty in the transport sector and the logistics market.

There are over 89 464 merchant ships trading internationally, transporting different types of cargoes and registered in 150 nations, thus growing marine international trade by 4% per annum. South Africa currently has four ships on its Ship Register and there is commitment to grow the SA Ship Register through the creation of a conducive environment and providing incentives to ship-owners as an encouragement to set up offices and possibly register under the South African flag.

With a stretch of about 3 000km of the South Africa coastline, the Department maintains a single Emergency Towing Vessel (ETV) that is available to respond to emergency incidents. The fact that it is mainly deployed in the western Sea-board, inevitably exposes certain

areas of our coastline especially of the Indian Ocean to risks from ships oil pollution in the event of accidents or incidents. The Department is working on a long term strategy to enhance capacity and capability for oil pollution surveillance and response.

Merchant Shipping Act is being reviewed to update it taking into account developing trends and challenges.

The development of the Ports Economic Participation Framework (PEPFRA), which is prioritised for the remaining period of the MTSF, will lay a firm legal basis for the effective implementation of the relevant provisions of the Ports Act.

## **A transport sector that is safe and secure**

### Harmonisation of the traffic law enforcement

The Department is currently involved in projects that are intended to improve Road Safety and ensure that road users are safe and secure. The following interventions are geared at improving road safety:

- Requirement for the fitment of child restraints in all vehicles when transporting children;
- Restriction for the transportation of persons for rewards in goods vehicles to ensure protection of persons being transported at the rear of a goods vehicle by requiring that the portion of the vehicle in which persons are being conveyed is enclosed to a height of 350 mm above the surface upon which such person is seated or at least 900 mm; and
- Fitment of speed governors

Other NRTA initiatives that are currently underway include:

- Finalisation of the legislation dealing with the regulation of driving schools,
- The reviewing of the current prescribed alcohol contents in the blood specimen of a person driving a motor vehicle whilst under the influence of alcohol.
- The review of the speed limit in areas where there is high pedestrian visibility.
- The reduction of the number of persons to be transported at the rear of the goods compartment of a goods vehicle.

### National Road Safety Strategy

In the effort to improve Road Safety, the Department is currently reviewing the current Road Safety Strategy. The reviewed National Road Safety Strategy (NRSS) arises from lessons learned and premised on the UN Decade of Action for Road Safety. It seeks to provide an overall direction on the implementation of all road safety programmes, by ensuring alignment and integration across the wide range of specific interventions that are undertaken in the reduction of road crashes and fatalities. To date, consultations have been conducted with various stakeholders on the NRSS.

### Road Safety programmes targeting the Youth

There were Provincial Youth Road Safety Summits that were conducted which culminated into National Youth Road Safety Summit, where all Roads entities rallied the youth countrywide behind Road Safety. The objective was to establish youth activists that would advocate for road safety as part of organized Youth Road Safety structures in each Province. There were other specific initiatives implemented aiming at reaching the youth in universities at different campuses. The programme targeted individuals between the ages of 18 and 35 to educate and create awareness amongst youth on road safety issues.

A successful Road Safety Colloquium was conducted where a research and study on human behavior was unveiled. An Ambassador program was also created with celebrities (actors, actresses and soccer stars) to enhance road safety awareness especially targeting non-vulnerable road users.

### Road Safety Educational Programmes

Educational Road Safety programmes are implemented to inculcate a culture of road safety by improving knowledge, skills and behaviour of road users. Within the current MTSF, four road safety educational programmes were conducted namely: Learner Licenses, Scholar Patrol, Road Safety School Debates and Participatory Technique.

### Road Safety Community Programmes

In an effort to increase community participation in road safety issues, two (2) massive community programmes were embarked upon namely; the workers' and stray animals programme. These were programmes that sought to reduce work-related road safety incidents and combat road deaths that occur as a result of stray animals in Provinces where stray animals are prevalent.

### Other Road Safety Programmes

- Implementation of the National Road Safety Strategy
- Two (2) youth programmes namely; Youth Driver Programme and Youth Safety Programme (at institutions of higher learning) were implemented in nine provinces.



- Five (5) programmes targeting children namely; Junior Traffic Training Centres, Scholar Patrol roll-out, Participatory Educational Technique, Road Safety Debates and Learner License Programme
- One (1) road safety educational programme targeting pedestrians implemented in nine provinces
- One (1) road safety educational programme targeting cyclists implemented in nine provinces
- Two (2) community based programmes namely; stray animals and interfaith programmes
- Car seats and child restraint to ensure safety of children in cars
- Cross – Alive campaign is active at border gates for vehicles that enter the country. A move to ensure safer cars and safer road users are on our roads
- Defensive driver training programmes for the youth

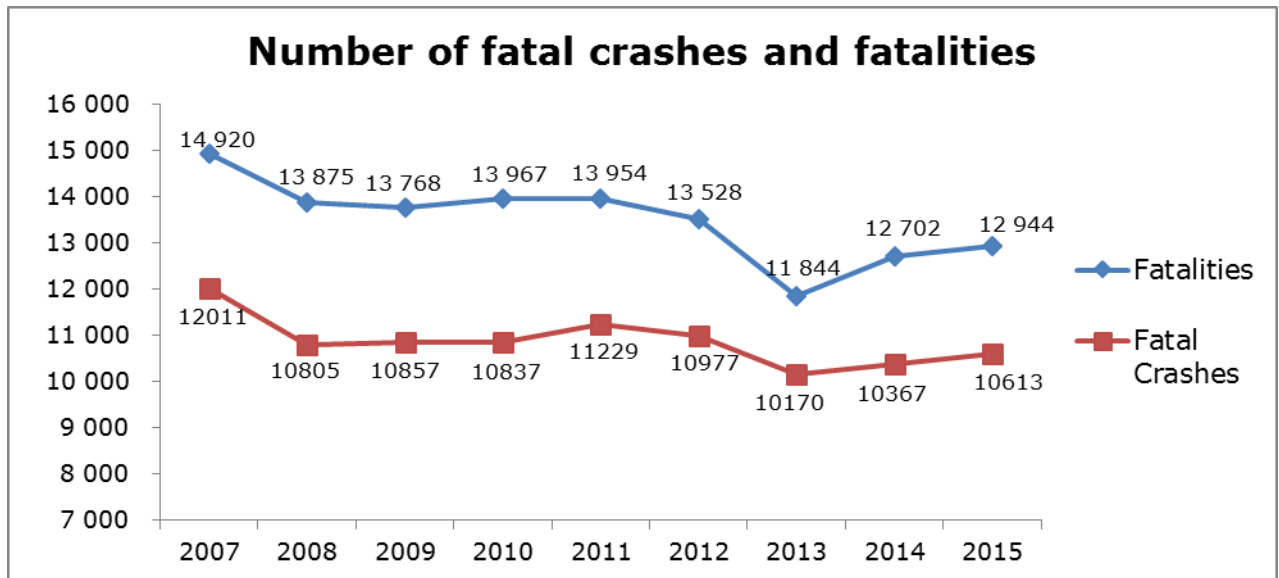
### Road Crashes and Fatalities

Currently, South Africa is faced with a number of road crashes, and the subsequent fatalities that arises out of these vehicle crashes. The crashes occur as result of drivers not obeying or abiding to the laws in relation to driving of a motor vehicle on a public road. Although road traffic injuries have been a leading cause of mortality for many years, most traffic crashes are both predictable and preventable. There is considerable evidence on interventions that are effective at making roads safer and countries that have been successfully in implementing such programmes saw reductions in road traffic crashes, injuries and fatalities.

Road crashes, injuries and fatalities are a public health problem development issue. Low- and middle income countries lose approximately 3% of GDP as a result of road traffic crashes. In recognition of the scale of this health and development problem the United Nations General Assembly adopted a resolution in 2010 that led to the establishment of the Decade of Action for Road Safety (2011–2020). The resolution called on Member States to take the necessary steps to make their roads safer. The target of the decade is to reduce road fatalities by 50% by 2020. The World Health Organisation (WHO) was tasked with monitoring the situation by compiling a Global status report on progress made by the different member states towards the achievement of the decade target.

The importance of road safety to the economy and society at large provides a coherent business case for decisive policies and strategies to address the pandemic in order to reach the targets as set out in the Decade of Action and the NDP. The graph below shows that the

number of fatal crashes and fatalities is increasing at an average rate of 3% since 2013. Whilst these figures have significantly dropped since 2007, they however remain very high in comparisons to other middle-income countries.



### 2015 RTMC Crash Data

Changing road user behaviour is a critical component of the holistic “Safe Systems” approach advocated in the report. Adopting and enforcing good laws is effective in changing road user behaviour on key risk factors for road traffic injuries speed, drink–driving, and the failure to use helmets, seat-belts and child restraints properly or at all.

The role of safe infrastructure and safe vehicles in reducing road traffic injuries cannot be ignored. Road infrastructure is mainly constructed with the needs of motorists in mind, although the report indicates that 49% of all road traffic deaths occur among pedestrians, cyclists and motorcyclists. Real, sustained successes at reducing global road traffic deaths will only happen when road design takes into consideration the needs of all road users.

While vehicles in high-income countries are increasingly safe, the report provides worrying data showing that less than half of countries implement minimum standards on vehicle safety, and that these standards are notably absent in many of the large middle income countries that are major car manufacturers.

The crashes are as a result of amongst others unroadworthy motor vehicle, speed in excess of the prescribed or not appropriate for that particular circumstances, driving a motor vehicle

under the influence of alcohol, disobeying road traffic signs and rules, lack of visible road traffic signs, the road infrastructure not designed, no account on the road safety implementation, lack of adequate road safety awareness.

Furthermore, there is also an issue on fraud and corruption in the issuance of road worthy certificate, driving licenses and general law enforcement by traffic officers. In an effort to address and deal with this carnage, the department has implemented a number of road safety interventions; such as developing and implementing legislation that requires certain vehicles to be governed by a particular speed. Children and passengers may not be transported at the rear of a bakkie for reward and at all times wear seat belts or the former be put in child restraints.

In terms of awareness, we have developed and implemented a 365-days road safety awareness campaign as well as a road safety strategy. We encourage partnership with all sectors and other departments in driving Education and Awareness programmes.

In the next financial year, we will amend the legislation to deal with fraud and corruption, speed, alcohol and driver training.

#### Roll out of the Administrative Adjudication of Road Traffic Offences (AARTO) Amendments

In terms of the AARTO Act, the Road Traffic Infringement Agency (RTIA) is expected to play a critical role in forging a closer, more effective and efficient link between the enforcement and adjudication processes. It is intended to play the role of an independent adjudicator overseeing and enforcing the provisions of the AARTO Act. The RTIA is also expected to increase compliance with road traffic laws as well as inculcate a new habit of voluntary compliance with traffic laws through educational programmes and mechanisms. Overall, the Agency is mandated to ensure the implementation of objective, transparent and fair administrative processes.

The AARTO process starts with the detection by a traffic officer of an infringement committed by an alleged infringer. Upon allegedly committing an infringement, an authorised officer or a person duly authorised by an issuing authority, must serve or cause to be served on the allegedly identified infringer an infringement notice. During the 2012/13 financial year, a total of 3.84 million infringement notices were captured in the AARTO jurisdictional areas and this figure increased to 6.975 million during the 2013/14 period.

An Infringement Notice is served either in person or through registered mail to the alleged infringer. The AARTO process allows the alleged infringer to select any one of the following five options to be exercised within a period of 32 days after having received such notice:

- to pay the penalty, reduced by the discount amount contemplated, if paid within the set timeframe of 32 days; or
- elect to pay in instalments; or
- submit a representation; or
- elect to be tried in court; or
- nominate the driver or person in control of the vehicle at the time the alleged infringement was committed, if it was not the owner.

The elective rates by infringers over the past two financial years can be summarised as follows:

3.68% notices were paid within 32 days; 2.40% were paid within 33 to 64 days; and 4.15% were paid after 64 days; resulting in about 86% of all notices remaining unpaid and un-concluded;

- 0.03% elected to pay in instalments;
- 0.92% submitted representations;
- 1.69% elected to be tried in court; and
- 5.1% nominated drivers.

The statistics above indicate that there is an extremely low compliance rate with the provisions of the AARTO Act. Thus the RTIA continues with the overwhelming task of changing road user attitudes and perceptions.

In order to address the challenges mentioned above, the following measures may amongst others, be pursued:

- Introduction of the electronic serving of AARTO documents;
- Improving the process for the delivery and collection of Enforcement Orders;
- The blocking of certain NaTIS transactions for unresponsive infringers which will prevent them from registering new vehicles or renewing their driving and vehicle licences; and
- Increasing the penalty amount.

## Road Accident Fund (RAF)

The successes realised during the previous years did not emanate from what some would call a conducive environment for success. In fact, to say the fiscal was eventful would be an understatement. RAF faced significant challenges, persevered, overcame and conquered many. The financial challenges that have beset the Fund for decades continued to put a severe strain on the operations and, more importantly, on the Fund's ability to carry out its core mandate, being to cover, compensate and rehabilitate victims of road crashes and their dependants. The financial strain was so severe that there were periods where the Fund was over R11 billion in arrears with settled claims that could not be paid, because there was no money available.

The Fund's financial challenges worsened with the cash constraints. However, as it was done in recent years, RAF has been very transparent in regularly communicating to all stakeholders what the challenges were. Extensive engagements took place with affected claimants and their representatives, as well as the media. Internal measures were also introduced to optimise cash flow management and time periods, but the core challenge was and remains real – the RAF dispensation is not adequately funded and remains unreasonable, inequitable, unaffordable and unsustainable.

To counter the challenges experienced on the historic practice of direct claims, policies were put in place and performance continues to improve with increased direct claims being registered and increased settlements being made. Going into 2017/18, the RAF Fuel Levy has thus remained flat at 154 cents per litre of fuel sold. This is in keeping with the previous year's Budget Speech when the Minister granted the RAF a substantial increase based on progress made, but dependent on the need to introduce a more sustainable dispensation, i.e. the Road Accident Benefit Scheme (RABS).

## Road Accident Fund (RAF) Amendment Act

The RAF Amendment Act of 2015 is in the process of being tabled for Cabinet approval. If approved, the proposed amendments will have a financial impact on the budgetary requirements of the Fund.

### Road Accident Benefit Scheme (RABS) Bill

Government has long accepted that the RAF is an unsustainable scheme of arrangement where compensation paid far outstrips the income allocated to the Fund; where many who contribute to the RAF's income are excluded on the basis of poverty and the extent of negligence; where administration is not cost-efficient; and where the desired objective of supporting crash victims is not fully achieved.

In an effort to limit and reduce the liability faced by the RAF, the DoT has embarked on a process to develop new legislation that will reduce the financial burden on the RAF, by introducing the Road Accident Benefit Scheme (RABS). It is very pleasing to note the developments made by the DoT with the processing of the RABS Bill. The Road Accident Benefit Scheme will address many of the challenges facing the Fund that are constraining the organisation's ability to deliver on its mandate in an effective and efficient manner. A no-fault, fixed-benefit scheme will ensure a smooth alignment to the proposed Comprehensive Social Security System ("CSSS") that was initiated by government.

Only a complete overhaul of the system, as proposed through RABS, will address the fault-based, unfair, unequal and unsustainable system defined by the RAF Act. The RABS bill will also broaden the number of individuals to access the services and reduce reliance on third-parties to access RAF services. The NEDLAC consultation on the RABS Bill was concluded and the Department of Planning Monitoring and Evaluation (DPME) has issued the SEIAS Report. The DoT is finalizing the process to submit the RABS Bill to the DG's FOSAD Social Protection and Human Development Cluster for endorsement for submission to Cabinet.

### National Railway Safety Amendment Bill

The medium term targets for the 2017/18 and 2018/19 financial years is to submit the draft National Railway Safety Regulator Amendment Bill to Parliament. Since the development of 2015-2020 Strategic Plan new matters that were not anticipated arose.

During the drafting process of the Bill it was also recognised that provision has not been made for individually focused provincial consultations. Section 76 of the Bill encroaches on the concurrent jurisdiction of the province in relation to public transport. The project plan provided for a national workshop, however, individual stakeholder consultations sessions must be held with provinces to consult on the draft Bill.

## National Railway Safety Strategy

The medium term targets on the finalisation of the National Railway Safety Strategy will be deferred to subsequent financial years following the approval of the National Railway Safety Act. The Act will inform the strategic direction of the strategy and therefore needs to be finalised prior the formation of the Strategy.

## **Improved rural access, infrastructure and mobility**

### Access Road Development Plan (ARDP)

People in South Africa often face great inconvenience and travel long distances to obtain the services and information they need from government. They also often have to visit more than one service point to access related government services. Improving service delivery, especially services that improve the lives of poor and marginalised people, remains a government priority. The National Development Plan (NDP) 2030 Chapter 6, which focus on inclusive rural economy, puts extra emphasis on the rural areas to ensure that they are spatially, socially and economically well integrated – across municipal, district, provincial and regional boundaries – where residents have economic growth, food security and jobs as a result of agrarian transformation and infrastructure development programmes, and have improved access to basic services, health care and quality education.

The purpose of the ARDP and especially the first phase of the project is to highlight the gaps in terms of accessibility to the selected amenities within this report and to inform provincial, district and local municipalities of the needs to provide additional access roads to relevant amenities. The following amenities were selected to form part of the assessment process:

- Education facilities: Primary and Secondary Schools
- Health Facilities
- Libraries
- Community Centres
- Places of Worship
- Municipal Offices
- Post Offices
- South African Police Services (SAPS)
- Cemeteries

The ARDP arrays the overarching goals, vision, and objectives which would be reflected in the Integrated Development Plans and also in the Transport Master Plans of District and Local Municipalities.



## **Improved public transport services**

Public transport confronts many challenges in South Africa. Majority of workers and the poor still live in displaced, dormitory townships distant from places of work and other amenities. As a result, the cost of mobility and time spent commuting between homes and work place is draining and difficult to sustain. To alleviate this challenge, the DoT will strive to maximise its contribution to socio-economic goals by providing a safe, reliable, effective, efficient and fully integrated public transport services that best meets the needs of passenger users.

In the medium term, the DoT will continue with the planning and construction of universally accessible Bus Rapid Transit (BRT) systems in identified local and metropolitan municipalities.

The Public Transport Strategy, as well as the Taxi Recapitalisation Programme, will be reviewed to enhance provision of integrated public transport solutions. The DoT will develop and implement the Integrated Public Transport Turnaround Plan, which will aim to optimise public transport service offerings in both rural and urban spaces.

Regulation of the Public transport will be enhanced through the amendment of the National Land Transport Act and development of new regulations.

## **Increased contribution to job creation**

It is still the DoT's priority over the MTSF to ensure a balance between creating a stable and supportive environment for growth and investment while at the same time addressing the many structural challenges the economy and society faces. In addition to long standing regulatory, infrastructure and skills weaknesses, inequality in itself has become a core obstacle to investment and growth. By extension, efforts to support growth must simultaneously ensure more equitable distribution and ownership of income. Employment intensive programmes and initiatives will receive top priority, especially those that target youth and women.

In the medium term, the DoT will continue to monitor off-takes by end-users of the infrastructure build programme. In the implementation of the Provincial Road Maintenance Programme, the DoT works closely with other spheres of government to ensure adequate road maintenance.

Through the new Rail Rolling Stock Fleet Renewal Programme, which is aimed at revamping the ailing rail infrastructure programme, the manufacture and supply of new rolling stock is expected to create direct and indirect jobs over the 10 year duration of the contract.

The African Maritime Charter has been approved by Cabinet and is currently being implemented.

In the 2016/17 financial year, 56 interns were employed in the transport sector. Of the 56, some were placed within the DoT, some within sector SOEs and the rest in various municipalities. The interns continue to receive undergoing generic, technical as well as life skills trainings in order to prepare them for the labour market.

On an annual basis, the DoT exceeds the DPSA target of 5% of staff establishment. For this, the DoT received a Recognition Award for Internship for 2011 to 2013 from the National Skills Authority (Department of Higher Education and Training).

In preparation for 2017/18 financial year, recruitment and selection process are in progress for the appointment of the next batch interns, who will be placed at the National Department of Transport.

## Increased contribution of transport to environmental protection

The NDP 2030 vision is that by 2030 South Africa's transition to an environmentally sustainable, climate change resilient and, low carbon economy will be well under way. The current MTSF (2014-2019), will focus on the creation of a framework for implementing the transition to an environmentally sustainable low carbon economy. This phase will include unblocking regulatory constraints, data collection and establishment of baseline information and indicators testing some of the concepts and ideas to determine if this can be scaled up.

In the medium term, the DoT has undertaken the development of the Green Transport Strategy (GTS), which seeks to address the adverse effects and impacts of transport on the environment and concurrently address the current and future transport demands based on the principles of sustainable development.

The GTS will provide a clear and distinctive route of the environmental policy for the sector, by providing appropriate sector specific climate policy tools and corresponding mitigation and adaptations measures for the transport sector as well as a framework to implement the Transport Flagships within the National Climate Change Response Strategy (NCCRS).

The GTS will also utilize a basket of measures, which will address imperative issues such as fuel switching for the freight industry to assist with the high emission factor of this sector. The introduction and promotion of the uptake of cleaner fuels such as Liquefied Petroleum Gas (LPG) and Compressed Natural Gas (CNG) for freight vehicles will assist and support with the emission reductions efforts of the sector. The use of cleaner fuels should be supported by Intelligent Transportation Systems that can provide support for this initiative of introducing cleaner transportation and alternative fuel technology for the freight sector, whilst also collecting imperative mitigation data.

The Implementation Plan of the GTS will promote the uptake of "*Smart Trucks*" and then benchmark against the appropriate international standards to specify the performance required from the operation of a given vehicle on a network, rather than prescribing how the specified level of performance is to be achieved. This approach will allow more flexibility for vehicle designers to utilise innovative solutions and the latest available technology to meet the required performance standards and improve fuel efficiency.

## Organisational Environment

Following a sustained period of performance that saw major strides being made by the transport sector, the DoT aims to intensify its strategic interventions to address some of the major challenges facing the sector.

The internal challenge of alignment and optimal use of resources (human, financial, facilities and equipment) remains a prickly issue that the Department continues to deal with. The main intervention of modifying and purifying the organisational structure is on course and will be prioritised to ensure efficient and effective performance of the department and improve service delivery. The department remains focused on addressing the vacancy rate through the filling critical positions; and also ensuring that its oversight role on sector public entities is strengthened and stabilised.

The simplified structure of the DoT puts extensive emphasis on modes of transport. Complementing this modal emphasis are two programmes that seek to provide strategic support to key programmes of the DoT, namely Administration and Integrated Transport Planning.

**Programme 1:** Administration – This programme comprises the Ministry, Office of the Director-General (ODG), Chief Operations Officer (COO), Chief Financial Officer (CFO) and Transport Information Systems (TIS)

**Programme 2:** Integrated Transport Planning

**Programme 3:** Rail Transport

**Programme 4:** Road Transport

**Programme 5:** Civil Aviation

**Programme 6:** Maritime Transport

**Programme 7:** Public Transport

It is still the belief of the DoT that these internal programmes not only set the agenda for the DoT but for a collective, integrated and harmonised approach to addressing sector challenges. Key players in this collective include the DoT, transport entities, provincial departments, municipalities and key private sector stakeholders. A convergence of all these stakeholders will assist in fast-tracking the responsiveness of the sector to the realities on the ground.

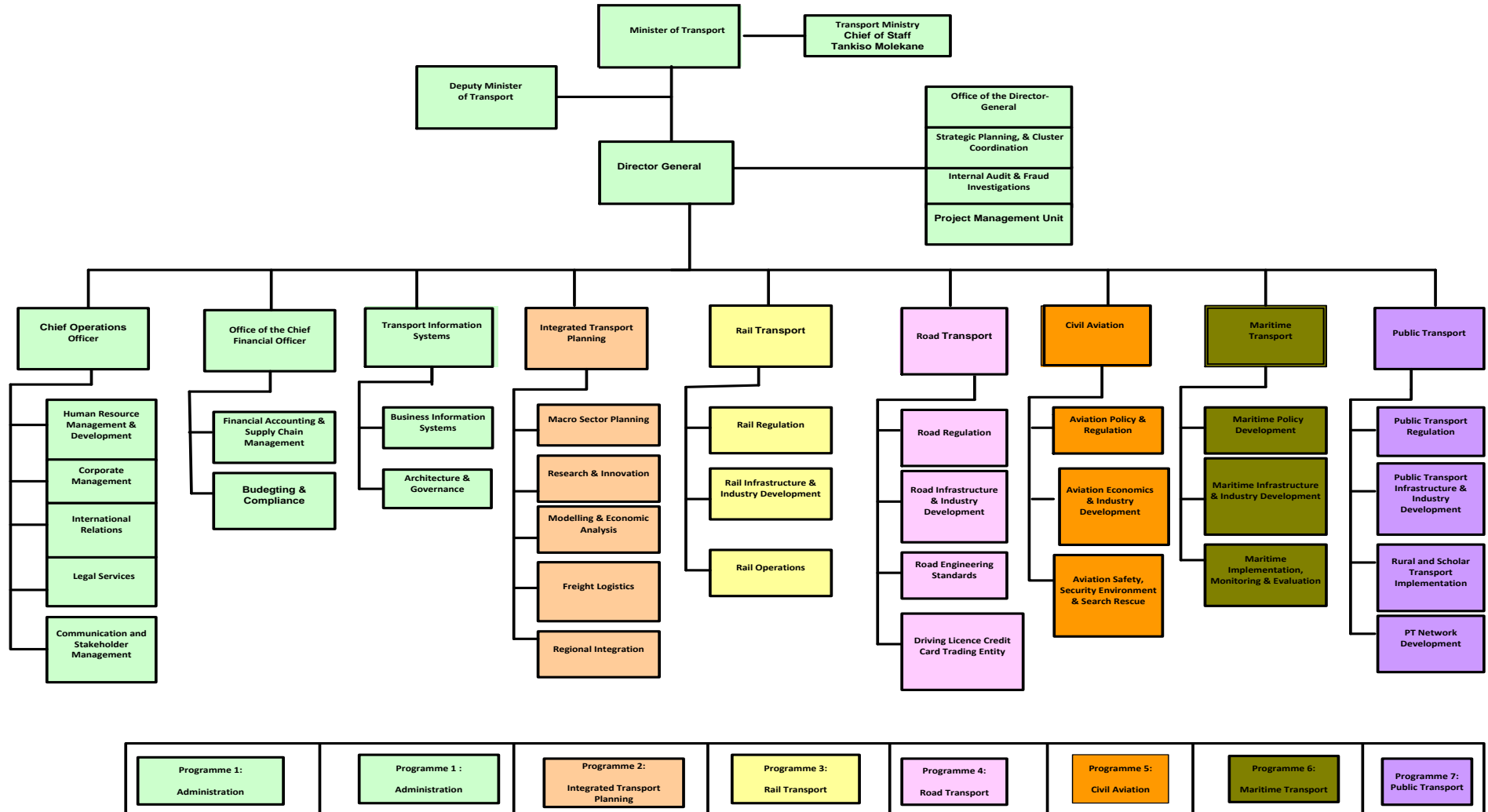
## Details of approved establishment and personnel numbers according to salary level as at 31 March 2017

Programmes																			
1. Administration																			
2. Integrated Transport Planning																			
3. Rail Transport																			
4. Road Transport																			
5. Civil Aviation																			
6. Maritime Transport																			
7. Public Transport																			
Number of posts estimated for 31 March 2017		Number and cost <sup>2</sup> of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2015/16		2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost	Unit cost	Number	Cost	Unit cost		
<b>Transport</b>																			
<b>Salary level</b>	<b>683</b>	<b>7</b>	<b>702</b>	<b>382.9</b>	<b>0.5</b>	<b>708</b>	<b>432.1</b>	<b>0.6</b>	<b>710</b>	<b>450.0</b>	<b>0.6</b>	<b>704</b>	<b>470.0</b>	<b>0.7</b>	<b>703</b>	<b>505.9</b>	<b>0.7</b>	<b>-0.2%</b>	<b>100.0%</b>
1 – 6	145	1	150	39.3	0.3	151	39.8	0.3	150	40.7	0.3	149	42.8	0.3	149	46.3	0.3	-0.4%	21.2%
7 – 10	286	2	291	112.4	0.4	304	136.9	0.5	304	141.8	0.5	304	150.6	0.5	304	163.1	0.5	-	43.0%
11 – 12	139	-	143	99.9	0.7	137	112.4	0.8	131	110.9	0.8	126	112.1	0.9	126	121.4	1.0	-2.8%	18.4%
13 – 16	111	4	116	127.1	1.1	114	138.6	1.2	123	152.0	1.2	123	159.6	1.3	122	169.9	1.4	2.3%	17.1%
Other	2	-	2	4.2	2.1	2	4.4	2.2	2	4.6	2.3	2	4.9	2.4	2	5.2	2.6	-	0.3%
<b>Programme</b>	<b>683</b>	<b>7</b>	<b>702</b>	<b>382.9</b>	<b>0.5</b>	<b>708</b>	<b>432.1</b>	<b>0.6</b>	<b>710</b>	<b>450.0</b>	<b>0.6</b>	<b>704</b>	<b>470.0</b>	<b>0.7</b>	<b>703</b>	<b>505.9</b>	<b>0.7</b>	<b>-0.2%</b>	<b>100.0%</b>
Programme 1	333	5	344	174.4	0.5	341	196.9	0.6	341	199.8	0.6	339	209.2	0.6	339	225.1	0.7	-0.2%	48.1%
Programme 2	72	-	74	43.1	0.6	73	44.3	0.6	73	45.8	0.6	72	48.5	0.7	72	52.2	0.7	-0.5%	10.3%
Programme 3	36	-	36	19.9	0.6	36	23.3	0.6	38	25.5	0.7	38	26.3	0.7	38	28.5	0.8	1.8%	5.3%

Programme 4	88	1	90	45.3	0.5	86	54.3	0.6	85	57.9	0.7	84	61.4	0.7	84	66.0	0.8	-0.8%	12.0%
Programme 5	57	1	57	35.7	0.6	55	39.4	0.7	54	40.4	0.7	52	42.8	0.8	52	46.1	0.9	-1.9%	7.5%
Programme 6	31	-	34	20.1	0.6	33	23.8	0.7	34	28.4	0.8	34	27.1	0.8	33	29.1	0.9	-	4.7%
Programme 7	66	-	67	44.4	0.7	84	50.2	0.6	85	52.2	0.6	85	54.7	0.6	85	58.8	0.7	0.4%	12.0%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.  
2. Rand million.

## Organisational Structure for the Department of Transport January 2015



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## **The DoT Strategic Planning Process**

For the planning period 2017/18 – 2019/20, as per the statutory requirement of the Medium Term Expenditure Framework (MTEF), the DoT reassessed the relevance and appropriateness of strategic outcome-oriented goals and objectives to ensure that they respond to the key challenges faced by the sector. The purpose of the exercise was to highlight critical areas of the DoT's contribution to the changed agenda of Government, to re-prioritise its interventions in line with the new radical economic transformation stance, and set out defined performance measures to ensure that the accelerated speed of service delivery. The DoT also identified critical success areas and notable challenges in the previous financial year, which assisted in developing appropriate remedial strategies going forward.

Each DoT programme conducted planning sessions and the draft Annual Performance Plan 2017/18 was developed. This Annual Performance Plan 2017/18 was compiled in conjunction with internal programmes in an interactive process of inputs and feedback and was also sent to the Department of Performance Monitoring and Evaluation (DPME) in the Presidency for critical analysis. The final draft was then presented to the DoT Executive Committee (EXCO) for final ratification and sign-off. Before sign-off the drafts were also submitted to Internal Audit and Office of the Auditor-General for a pre-audit exercise. The Annual Performance Plan 2017/18 will then be tabled in Parliament for approval.

### **Monitoring and Reporting of the Annual Performance Plan 2017/18**

The Annual Performance Plans 2017/18, which corresponds to year three of the DoT Strategic Plan 2015-2020, will be monitored and reported on, on a quarterly basis. Progress made on the achievements of the APP quarterly milestones will be analysed. Where programmes are unsuccessful in achieving predetermined quarterly milestones, corrective measures and revised timeframes will be discussed and approved by relevant programme managers.

Milestones not achieved in one quarter will be prioritised for achievement in the subsequent quarter following the quarter under review. Failure to achieve a quarterly milestone in two consecutive quarters will require intensive analysis and possible re-prioritisation by the relevant programme manager.



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## **DoT Risk Statement**

In pursuit of its vision, the DoT faces risks to its business strategy, operations, protection of personnel, property and reputation. The department thus commits to a risk management process that ensures that all such risks are identified and assessed. Response plans are developed for each risk and implementation of these plans is monitored on a quarterly basis.

The effectiveness of risk management and control measures put in place will be reported to the Risk Management Committee, EXCO and the Audit Committee on a quarterly basis. Periodic independent assessments on the effectiveness of risk management will also be conducted by Internal Audit.

### **DoT Key Principles in Managing Risk**

To achieve predetermined goals and objectives:

- Risks will be considered on a department-wide basis;
- Risk management will be integral to the strategic planning process, business decisions and daily operations;
- Risks will be identified, analysed, responded to, monitored and reported on, in accordance with the DoT policies and procedures;
- Risks will be identified per programme and response plans will be derived for each risks;
- Management will regularly assess the status of each risk and response plans;
- Compliance to the risk management process and control measures will be monitored and reported on.

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## **Strategic Outcome-oriented Goals of the DoT**

### **Strategic Outcome-oriented Goal 1: Efficient and integrated infrastructure network and operations that serve as a catalyst for social and economic development**

Develop and implement policies and promulgate Acts that are set to drive investments for the maintenance and strategic expansion of the transport infrastructure network, and support the development of transport asset management systems in rural and provincial authorities. The definitive drive of these interventions is to improve the efficiency, capacity and competitiveness of transport operations in all modes.

The following Strategic Objectives (SOs) as pre-determined by the DoT will be geared towards achievement of the Strategic Outcome-oriented Goal as stated above:

SO 1.1 Facilitate integrated macro-transport systems planning to guide investments in the sector

SO 1.2 Promote national, regional and continental integration of transport infrastructure and operations

SO 1.3 Enhance socio-economic transformation of the transport sector

SO 1.4 Ensure a sustainable transport infrastructure network

SO 1.5 Enhance performance, efficiency and reliability of the transport sector

### **Strategic Outcome-oriented Goal 2: A transport sector that is safe and secure**

Develop and implement policies and strategies that seek to reduce accidents and incidents in the road, rail, aviation and maritime environment.

The following Strategic Objectives (SOs) as pre-determined by the DoT will be geared towards achievement of the Strategic Outcome-oriented Goal as stated above:

SO 2.1 Regulate and enhance transport safety and security

### **Strategic Outcome-oriented Goal 3: Improved rural access, infrastructure and mobility**

Increase mobility and access in rural space by improving transport infrastructure and implementing integrated transport services.

The following Strategic Objectives (SOs) as pre-determined by the DoT will be geared towards achievement of the Strategic Outcome-oriented Goal as stated above:

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SO 3.1 Provide integrated rural transport infrastructure and services

**Strategic Outcome-oriented Goal 4: Improved public transport services**

Provide integrated public transport solutions through development and implementation of legislation, policies, strategies and regulations. The definitive drive of these solutions is to ensure safe, secure, reliable, cost-effective and sustainable public transport services.

The following Strategic Objectives (SOs) as pre-determined by the DoT will be geared towards achievement of the Strategic Outcome-oriented Goal as stated above:

SO 4.1 Promote sustainable public transport

SO 4.2 Improve public transport access and reliability

SO 4.3 Regulate public transport

**Strategic Outcome-oriented Goal 5: Increased contribution to job creation**

Create an enabling environment for employment opportunities in the transport sector through the implementation of labour-intensive interventions and off-takes of ancillary support programmes.

The following Strategic Objectives (SOs) as pre-determined by the DoT will be geared towards achievement of the Strategic Outcome-oriented Goal as stated above:

SO 5.1 Monitor off-takes of the implementation of the provincial road maintenance programme

SO 5.2 Develop and implement relevant charters and legislation

**Strategic Outcome-oriented Goal 6: Increase contribution of transport to environmental protection**

Develop and implement policies that aim to mitigate climate change and adaptation responses through reduction of greenhouse gas (GHG) emission, aviation noise and pollution at sea.

The following Strategic Objectives (SOs) as pre-determined by the DoT will be geared towards achievement of the Strategic Outcome-oriented Goal as stated above:

SO 6.1 Reduce GHG emissions

SO 6.2 Minimise aviation noise

**Strategic Outcome-oriented Goal 7: Effective and efficient management and support**

Improve departmental performance by strengthening internal support functions and ensuring good governance controls.

The following Strategic Objectives (SOs) as pre-determined by the DoT will be geared towards achievement of the Strategic Outcome-oriented Goal as stated above:

SO 7.1 Provide key strategic support and corporate services

SO 7.2 Ensure good governance and a sound internal control environment

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# Annual Cost Containment Plan

## Specific measures to be taken to improve cost efficiencies

### 1.1 Reducing unnecessary expenditure on consultants or professional service providers

- 1.1.1 Consultants will only be appointed where it is a cost-effective alternative to the utilisation of staff employed.
- 1.1.2 The Accounting Officer must approve a motivated business case setting out an analysis of the underlying skills gap and a diagnosis of requirements and specified deliverables for the appointment of consultants, which should form part of submissions to the Bid Adjudication Committee.
- 1.1.3 Bid documentation must include a clause that the rates of remuneration will be subject to negotiation, but may not exceed the prescribed rates.
- 1.1.4 Consultancy contracts will include overall cost ceilings.
- 1.1.5 Appropriate monitoring and reporting requirements will be set for all consultancy contracts.

### 1.2 Travel and accommodation expenditure

- 1.2.1 Delegations to the same event will be restricted to three unless otherwise approved by the Accounting Officer.
- 1.2.2 Discounted air fares will be utilised, and quotations will be obtained for air tickets, including from low cost airlines.
- 1.2.3 The use of business class tickets will be restricted.
- 1.2.4 Domestic accommodation will be sourced at the prescribed maximum allowable rates unless such accommodation is unavailable within a reasonable distance from the area to be visited.
- 1.2.5 The star grading of accommodation venues will be restricted based on the ranks of officials.
- 1.2.6 The car rental vehicle category will be restricted based on the ranks of officials.

### 1.3 Expenditure on catering, social events, entertainment allowances, corporate branded items, communication and advertising and the hiring of venues

- 1.3.1 Catering expenses will not be incurred for internal meetings lasting less than five hours unless approved by the Accounting Officer.
- 1.3.2 Expenses on social functions, team building exercises, year-end functions, sporting events, budget vote dinners and other functions that have a social element will not be financed from the budget of the Department or by any suppliers or sponsors.
- 1.3.2 Entertainment allowances will be restricted.

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- 1.3.3 Expenditure will not be incurred on corporate branded items of clothing or goods for personal use of employees unless costs related thereto are recovered from those employees.
  - 1.3.4 Communication campaigns, publications and advertisements will be strictly controlled to ensure moderation and cost effectiveness.
  - 1.3.5 Government owned venues and facilities will be used as venues unless such venues are not available.

#### **1.4 Effectiveness of supply chain management processes and procedures**

- 1.4.1 All bids and quotations will be dealt with by Supply Chain Management.
- 1.4.2 Officials in Supply Chain Management will be sensitised to adhere to cost containment measures.
- 1.4.3 The provisions of the Public Finance Management Act, Preferential Procurement Regulations, Treasury Regulations, Treasury Instructions and Circulars and applicable legislation will be complied with.
- 1.4.4 Cases of irregular expenditure will be investigated where appropriate, disciplinary steps will be taken and losses to the State will be recovered if responsible persons are found to be liable in law.

#### **1.5 Elimination of wasteful expenditure**

- 1.5.1 Cases of fruitless and wasteful expenditure will be investigated where appropriate, disciplinary steps will be taken and losses to the State will be recovered if officials are found to be liable in law.
- 1.5.2 A Loss Control Committee shall deal with all cases of fruitless and wasteful expenditure within its powers and make recommendations regarding such expenditure.

#### **1.6 Ensuring that value for money is achieved**

- 1.6.1 The Department will not deviate from inviting competitive bids unless there is an emergency as defined or a supplier is a sole supplier, for which evidence that only the one supplier possesses the unique and singularly available capacity to meet the requirements.
- 1.6.2 Procurements via quotations will be sourced from the National Treasury Central Supplier's Database.

# Expenditure Estimates: Vote 35 Transport

Table 35.3 Vote expenditure estimates by programme and economic classification

## Programmes

1. Administration
2. Integrated Transport Planning
3. Rail Transport
4. Road Transport
5. Civil Aviation
6. Maritime Transport
7. Public Transport

Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2017/18	2018/19	2019/20		
R million	2016/17	2013/14 - 2016/17		2016/17 - 2019/20				
Programme 1	392.8	2.7%	0.7%	406.9	427.2	455.9	5.1%	0.7%
Programme 2	79.0	0.0%	0.2%	81.7	86.0	91.8	5.2%	0.1%
Programme 3	18 985.5	19.1%	31.5%	19 320.3	21 217.3	22 350.5	5.6%	32.8%
Programme 4	24 799.1	8.2%	44.9%	27 128.6	29 621.6	31 271.4	8.0%	45.2%
Programme 5	253.2	1.3%	0.4%	169.9	178.7	189.2	-9.3%	0.3%
Programme 6	120.8	5.0%	0.2%	119.7	124.8	137.0	4.3%	0.2%
Programme 7	11 655.4	2.6%	22.1%	12 568.3	13 294.7	14 050.0	6.4%	20.7%
<b>Subtotal</b>	<b>56 285.9</b>	<b>9.9%</b>	<b>100.0%</b>	<b>59 795.2</b>	<b>64 950.2</b>	<b>68 545.9</b>	<b>6.8%</b>	<b>100.0%</b>
<b>Direct charge against the National Revenue Fund</b>	<b>1.7</b>	<b>-</b>	<b>0.0%</b>	<b>10.0</b>	<b>10.2</b>	<b>10.4</b>	<b>83.0%</b>	<b>0.0%</b>
International Oil Pollution Compensation Fund	1.7	-	0.0%	10.0	10.2	10.4	83.0%	0.0%
<b>Total</b>	<b>56 287.6</b>	<b>9.9%</b>	<b>100.0%</b>	<b>59 805.2</b>	<b>64 960.4</b>	<b>68 556.3</b>	<b>6.8%</b>	<b>100.0%</b>
Change to 2016 Budget estimate	272.4			(1 295.5)	(492.9)	(571.6)		

## Economic classification

<b>Current payments</b>	<b>1 183.9</b>	<b>4.2%</b>	<b>2.8%</b>	<b>1 110.0</b>	<b>1 161.0</b>	<b>1 235.0</b>	<b>1.4%</b>	<b>1.9%</b>
Compensation of employees	432.1	7.9%	0.7%	450.0	470.0	505.9	5.4%	0.7%
Goods and services	751.8	2.2%	2.1%	660.0	691.1	729.1	-1.0%	1.1%
<b>Transfers and subsidies</b>	<b>55 096.2</b>	<b>10.0%</b>	<b>97.2%</b>	<b>58 690.7</b>	<b>63 794.6</b>	<b>67 316.3</b>	<b>6.9%</b>	<b>98.1%</b>
Provinces and municipalities	21 572.7	4.5%	40.2%	22 743.4	24 222.2	25 589.6	5.9%	37.7%
Departmental agencies and accounts	14 234.0	9.7%	25.0%	16 279.5	17 987.2	18 989.0	10.1%	27.0%
Foreign governments and international organisations	12.9	10.5%	0.0%	27.7	28.6	29.5	31.9%	0.0%
Public corporations and private enterprises	18 890.3	19.2%	31.3%	19 216.4	21 108.5	22 235.0	5.6%	32.6%
Non-profit institutions	22.8	6.7%	0.0%	24.0	25.3	26.8	5.5%	0.0%
Households	363.6	-8.5%	0.6%	399.7	422.8	446.5	7.1%	0.7%
<b>Payments for capital assets</b>	<b>7.5</b>	<b>2.3%</b>	<b>0.0%</b>	<b>4.5</b>	<b>4.7</b>	<b>5.0</b>	<b>-12.6%</b>	<b>0.0%</b>

Machinery and equipment	7.5	2.3%	0.0%	4.5	4.7	5.0	-12.6%	0.0%
<b>Total</b>	<b>56 287.6</b>	<b>9.9%</b>	<b>100.0%</b>	<b>59 805.2</b>	<b>64 960.4</b>	<b>68 556.3</b>	<b>6.8%</b>	<b>100.0%</b>

## Expenditure analysis

Over the medium term, the Department of Transport will focus on improving mobility and access to social and economic activities by maintaining the provincial and national road networks, upgrading and maintaining rail infrastructure, and improving public transport for rail and road commuters. These activities contribute to the realisation of outcome 6 (an efficient, competitive and responsive economic infrastructure network) of government's 2014-2019 medium-term strategic framework. The department's total expenditure over the medium term will mainly be driven by transfers to public entities, provinces and municipalities for infrastructure spending, operations and maintenance. These transfers constitute 98.1 per cent of the department's budget over the medium term.

The department's budget is expected to increase at an average annual rate of 6.8 per cent in the period ahead, from R56.3 billion in 2016/17 to R68.6 billion in 2019/20. However, spending on goods and services is expected to decrease at an average annual rate of 1 per cent, from R751.8 million in 2016/17 to R729.1 million in 2019/20, due to reprioritisations to other transport spending priorities. These include: R15.9 million to support the operations of the Maritime and Aeronautical Rescue Coordination Centre; R19 million to strengthen the regulatory capacity of the Ports Regulator of South Africa; and R6 million to develop rail economic regulation capacity in the department in preparation for the establishment of the Single Transport Economic Regulator. As part of Cabinet's decision to lower the national aggregate expenditure ceiling, the budget for goods and services has been reduced by R49.6 million over the MTEF period.

The department's budget for compensation of employees has been capped at R450 million in 2017/18, R470 million in 2018/19 and R505.9 million in 2019/20 – reflecting an increase at an average annual rate of 5.4 per cent over the medium term.

### ***Maintaining the national and provincial road network***

The department's allocations to the South African National Roads Agency allow it to strengthen and maintain the non-tolled national road network. This includes R4.8 billion for the upgrade of the R573 (Moloto Road), R29.6 billion for road rehabilitation, R13.9 billion for road operations and maintenance, and R1.5 billion for phase 1 of the Gauteng Freeway Improvement Programme (GFIP). Cabinet approved budget reductions of R687.4 million to these transfers over the medium term are expected to delay upgrades and the strengthening of the non-toll network.



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Given the significant backlogs in road maintenance, the *provincial roads maintenance grant* prioritises allocations based on road conditions, weather patterns and traffic. To reseal 13 000 lane kilometres and rehabilitate 4 800 kilometres of provincial roads, expenditure through the grant is expected to increase from R10.8 billion in 2016/17 to R12.2 billion in 2019/20.

### ***Upgrading passenger rail infrastructure and services***

The Passenger Rail Agency of South Africa is in the process of modernising its rail services. This includes buying new rolling stock for the Metrorail commuter service and locomotives for the agency's long-distance mainline passenger service; and upgrading stations and infrastructure. Over the medium term, spending on rail infrastructure in the *Rail Transport* programme is expected to grow from R19 billion in 2016/17 to R22.4 billion in 2019/20 as the agency acquires 70 new trains and continues to upgrade its signalling infrastructure and build depots. The first 18 trains are expected to be delivered by the end of 2017/18.

Although Cabinet approved a reduction of R1 billion on transfers to the Agency over the medium term, R3 billion will be reprioritised over the period for the operations of the long-distance mainline passenger service, and R2.7 billion will be reprioritised for the renewal of rolling stock in 2019/20. Spending on Metrorail is expected to subsidise more than 484 million passenger trips per year in the period ahead, and spending on the mainline passenger service is expected to subsidise 2.3 million passengers over the medium term.

### ***Improving public transport systems***

The *public transport network grant* funds the infrastructure and operations of integrated public transport networks in 13 cities across South Africa. Over the medium term, the grant is expected to increase at an average annual rate of 7.6 per cent, from R5.6 billion in 2016/17 to R7 billion in 2019/20, to support construction in the 13 cities and fund the indirect operating costs of services in Johannesburg, Tshwane, Cape Town and George. The number of weekday passenger trips on these networks in these four cities is expected to increase from 163 280 in 2016/17 to 308 681 in 2019/20. A Cabinet approved reduction of R622.4 million in the grant will be made over the medium term, which is expected to result in capital programmes being delayed or taking longer to complete.



## PART B: PROGRAMME AND SUB-PROGRAMME PLANS

### Programme 1: Administration

**Purpose:** The programme exists to provide leadership, strategic management and administrative support to the department. This is achieved through continuous refinement of organisational strategy and structure in line with appropriate legislation and best practice.

### Programme Strategic Objectives

<b>Strategic Goal 1: An efficient and integrated infrastructure network that serves as a catalyst for social and economic development</b>									
<b>Goal Statement:</b> Develop and implement policies and promulgate Acts that are set to drive investments for the maintenance and strategic expansion of the transport infrastructure network, and support the development of transport asset management systems in rural and provincial authorities. The definitive drive of these interventions is to improve the efficiency, capacity and competitiveness of transport operations in all modes.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>1.3 Enhance socio-economic transformation of the transport sector</b>	-	-	-	Develop the status report on the transport sector socio-economic empowerment programmes for GDYC	Develop the status report on the transport sector socio-economic empowerment programmes for GDYC	Develop the status report on the transport sector socio-economic empowerment programmes for GDYC	Develop the status report on the transport sector socio-economic empowerment programmes for GDYC	Develop the status report on the transport sector socio-economic empowerment programmes for GDYC	Develop the status report on the transport sector socio-economic empowerment programmes for GDYC
	-	-	-	Conduct seven (7) GDYC Community Outreach Campaigns	Conduct nine (9) GDYC Community Outreach Campaigns	Conduct ten (10) GDYC Community Outreach Campaigns	Conduct ten (10) GDYC Community Outreach Campaigns	Conduct ten (10) GDYC Community Outreach Campaigns	Conduct ten (10) GDYC Community Outreach Campaigns

<b>Strategic Goal 7: Effective and efficient management and support</b>									
<b>Goal Statement:</b> Improve departmental performance by strengthening internal support functions and ensuring good governance controls.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>7.1 Provide strategic support and corporate services</b>	Interns placed as part of implementation of the HRD Strategy	Interns placed as part of implementation of the HRD Strategy	Human Resource Development Framework Implemented	Implement the Human Resource Development Framework	Implement the Human Resource Development Framework	Implement the Human Resource Development Framework	Implement the Human Resource Development Framework	Implement the Human Resource Development Framework	Implement the Human Resource Development Framework

<b>Strategic Goal 7: Effective and efficient management and support</b>									
<b>Goal Statement:</b> Improve departmental performance by strengthening internal support functions and ensuring good governance controls.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>7.2 Ensure good governance and a sound internal control environment</b>	Action plans developed and implemented	Action plans developed and implemented	Action plans developed and implemented	Develop and monitor action plans to address audit findings	Develop and monitor action plans to address audit findings	Develop and monitor action plans to address audit findings	Develop and monitor action plans to address audit findings	Develop and monitor action plans to address audit findings	Develop and monitor action plans to address audit findings
	Risk register updated and mitigation plans implemented	Risk register updated and mitigation plans implemented	Risk strategy developed and the implementation monitored	Develop and monitor DoT Risk Management Strategy	Monitor implementation of risk strategy	Monitor implementation of risk strategy	Monitor implementation of risk strategy	Monitor implementation of risk strategy	Monitor implementation of risk strategy

## Programme performance indicators and targets for 2017/18

<b>Strategic Objective 1.3: Enhance socio-economic transformation of the transport sector</b>							
<b>Objective Statement:</b> To promote equality and equity within the sector through the coordination of empowerment initiatives for disadvantaged population groups (Women, Disabled, Youth and Children)							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>1.3.1.1 Status report on the transport sector socio-economic empowerment programmes for GDYC developed</b>	-	-	-	Develop the status report on the transport sector socio-economic empowerment programmes for GDYC	Develop the status report on the transport sector socio-economic empowerment programmes for GDYC	Develop the status report on the transport sector socio-economic empowerment programmes for GDYC	Develop the status report on the transport sector socio-economic empowerment programmes for GDYC
<b>1.3.1.2 Number of Community Outreach Campaigns conducted on Gender, Disability, Youth and Children (GDYC)</b>	-	-	-	Conduct seven (7) GDYC Community Outreach Campaigns	Conduct nine (9) GDYC Community Outreach Campaigns	Conduct ten (10) GDYC Community Outreach Campaigns	Conduct ten (10) GDYC Community Outreach Campaigns

<b>Strategic Objective 7.1: Provide strategic support and corporate services</b>							
<b>Objective Statement:</b> To coordinate functions of human resource management and development, communications, information technology, legal and strategic planning in support of DoT programmes							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>7.1.1.1 DoT Human Resources Development (HRD) Strategy Framework implemented annually</b>	Interns placed as part of implementation of the HRD strategy	Interns placed as part of implementation of the HRD strategy	Human resource development framework implemented	Implement the human resource development framework	Implement the human resource development framework	Implement the human resource development framework	Implement the human resource development framework

**Strategic Objective 7.2: Ensure good governance and a sound internal control environment**

**Objective Statement:** To render financial administration, supply chain management, risk management, internal audit, budgeting and management accounting services to the DoT

Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>7.2.1.1 Financial governance compliance and control improved</b>	Action plans developed and implemented	Action plans developed and implemented	Action plans to address audit findings developed and monitored	Develop and monitor action plans to address audit findings	Develop and monitor action plans to address audit findings	Develop and monitor action plans to address audit findings	Develop and monitor action plans to address audit findings
<b>7.2.1.2 Implementation of the DoT Risk Management Strategy monitored</b>	Risk register updated and mitigation plans implemented	Risk register updated and mitigation plans implemented	Risk strategy developed and the implementation monitored	Develop and monitor DoT Risk Management Strategy	Monitor implementation of risk management strategy	Monitor implementation of risk management strategy	Monitor implementation of risk management strategy

## Quarterly targets for 2017/18

<b>Strategic Objective 1.3: Enhance socio-economic transformation of the transport sector</b>							
<b>Objective Statement:</b> To promote equality and equity within the sector through the coordination of empowerment initiatives for disadvantaged population groups (Women, Disabled, Youth and Children)							
Programme performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>1.3.1.1 Status report on the transport sector socio-economic empowerment programmes for GDYC developed</b>	Quarterly	Status report on the transport sector socio-economic empowerment programmes developed	R150	Conduct stakeholder consultations and compile a draft status report	Submit and present the draft status report to the DoT EXCO for quality assurance	Consider and incorporate EXCO inputs and recommendations	-
<b>1.3.1.2 Number of Community Outreach Campaigns conducted on Gender, Disability, Youth and Children (GDYC)</b>	Quarterly	Nine (9) Community Outreach Campaigns conducted	R1 000	Conduct one (1) Community Outreach Campaigns	Conduct three (3) Community Outreach Campaigns	Conduct two (2) Community Outreach Campaigns	Conduct three (3) Community Outreach Campaign

<b>Strategic Objective 7.1: Provide strategic support and corporate services</b>							
<b>Objective Statement:</b> To coordinate functions of human resource management and development, communications, information technology, legal and strategic planning in support of DoT programmes							
Programme performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>7.1.1.1 DoT Human Resources Development (HRD) Strategy Framework implemented annually</b>	Quarterly	Human Resource Development Framework implemented	Operational Budget	Compile a Monitoring Report on the Implementation of the 2016/17 Human Resource Development Framework.	-	-	-
				Develop and ensure approval of the 2017/18 Human Resource	Monitor and ensure 50% implementation of the 2017/18 HRD	Monitor and ensure 80% implementation of	Monitor and ensure 100% implementation of the 2017/18 HRD

<b>Strategic Objective 7.1: Provide strategic support and corporate services</b>							
<b>Objective Statement:</b> To coordinate functions of human resource management and development, communications, information technology, legal and strategic planning in support of DoT programmes							
Programme performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
				Development Plan	Plan.	the 2017/18 HRD Plan.	Plan.

<b>Strategic Objective 7.2: Ensure good governance and a sound internal control environment</b>							
<b>Objective Statement:</b> To render financial administration, supply chain management, risk management, internal audit, budgeting and management accounting services to the DoT							
Programme performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>7.2.1.1 Financial governance compliance and control improved</b>	Quarterly	Action plans to address audit findings developed and monitored	Operational Budget	-	Develop action plans to address audit findings and monitor progress	Monitor progress on the implementation of action plans	Develop the annual report on the implementation of action plans
<b>7.2.1.2 Implementation of the DoT Risk Management Strategy monitored</b>	Quarterly	Annual Monitoring Report on the implementation of the Risk Management Strategy developed	Operational Budget	Monitor implementation of the Risk Management Strategy	Monitor implementation of the Risk Management Strategy	Monitor implementation of the Risk Management Strategy	Develop the Annual Monitoring Report on the implementation of the Risk Management Strategy



# Expenditure Estimates

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R million					2013/14 - 2016/17						
Ministry	33.0	35.6	45.8	35.0	2.0%	9.9%	35.4	37.2	39.6	4.2%	8.8%
Management	48.4	44.7	53.2	73.5	14.9%	14.6%	76.5	78.4	83.9	4.6%	18.6%
Corporate Services	166.5	205.3	227.4	198.6	6.1%	53.0%	206.3	218.5	233.9	5.6%	50.9%
Communications	33.7	41.6	30.1	35.4	1.6%	9.3%	35.9	37.1	39.4	3.7%	8.8%
Office Accommodation	33.9	50.3	64.3	50.3	14.0%	13.2%	52.8	55.9	59.0	5.5%	13.0%
<b>Total</b>	<b>315.6</b>	<b>377.5</b>	<b>420.8</b>	<b>392.8</b>	<b>7.6%</b>	<b>100.0%</b>	<b>406.9</b>	<b>427.2</b>	<b>455.9</b>	<b>5.1%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				(2.0)			5.0	6.0	7.1		
<b>Economic classification</b>											
<b>Current payments</b>	<b>295.7</b>	<b>362.4</b>	<b>400.0</b>	<b>376.5</b>	<b>8.4%</b>	<b>95.2%</b>	<b>392.6</b>	<b>412.0</b>	<b>440.0</b>	<b>5.3%</b>	<b>96.3%</b>
Compensation of employees	141.4	155.0	174.4	196.9	11.7%	44.3%	199.8	209.2	225.1	4.6%	49.4%
Goods and services	154.3	207.4	225.6	179.6	5.2%	50.9%	192.7	202.8	214.9	6.2%	46.9%
<i>of which:</i>											
<i>Administrative fees</i>	1	1	4	3	21.7%	0.6%	3	3	3	6.5%	0.7%
<i>Advertising</i>	23.0	30.4	15.6	21.0	-2.9%	6.0%	20.2	20.8	22.0	1.5%	5.0%
<i>Minor assets</i>	1	1	1	2	48.3%	0.3%	1	1	1	-15.3%	0.4%
<i>Audit costs: External</i>	7.0	5.4	5.5	10.0	12.5%	1.9%	10.7	11.3	12.0	6.5%	2.6%
<i>Bursaries: Employees</i>	2	1	2	2	12.1%	0.5%	3	3	3	6.4%	0.7%
<i>Catering: Departmental activities</i>	1	1	2	1	20.3%	0.3%	2	2	2	20.8%	0.5%
<i>Communication</i>	6	5	6	6	2.5%	1.5%	6	6	7	3.9%	1.5%
<i>Computer services</i>	10.9	6.3	11.5	9.1	-5.8%	2.5%	11.2	11.9	12.6	11.4%	2.7%
<i>Consultants: Business and advisory services</i>	17	3	3	12	-11.6%	2.3%	9	10	10	-3.9%	2.5%
<i>Legal services</i>	4.2	9.0	9.9	5.3	8.7%	1.9%	10.9	11.6	12.3	32.1%	2.4%
<i>Contractors</i>	1	2	2	2	12.3%	0.5%	2	2	2	-3.6%	0.4%
<i>Agency and support/outsourced services</i>	1	1	1	1	16.3%	0.3%	1	1	1	-18.3%	0.2%
<i>Entertainment</i>	0	0	0	1	49.6%	0.1%	1	1	1	6.5%	0.2%
<i>Consumable supplies</i>	2	1	0	1	-18.4%	0.2%	1	1	1	2.7%	0.2%
<i>Consumables: Stationery, printing and office supplies</i>	5	2	3	3	-14.1%	0.8%	3	3	3	3.6%	0.7%
<i>Operating leases</i>	35.7	51.4	64.5	50.8	12.4%	13.4%	52.8	55.9	59.0	5.1%	13.0%
<i>Property payments</i>	5	5	5	6	5.2%	1.4%	6	7	7	7.7%	1.5%
<i>Transport provided: Departmental activity</i>	-	44	39	-	-	5.4%	-	-	-	-	-
<i>Travel and subsistence</i>	24.7	29.4	39.9	30.4	7.2%	8.3%	37.0	38.8	41.0	10.6%	8.7%
<i>Training and development</i>	2	3	4	6	37.2%	1.0%	6	6	7	1.2%	1.5%
<i>Operating payments</i>	1	2	2	3	33.7%	0.5%	3	3	3	4.6%	0.7%
<i>Venues and facilities</i>	4	4	6	4	-2.6%	1.2%	4	4	4	3.2%	1.0%
<b>Transfers and subsidies</b>	<b>11.6</b>	<b>8.7</b>	<b>10.9</b>	<b>11.2</b>	<b>-1.0%</b>	<b>2.8%</b>	<b>11.8</b>	<b>12.5</b>	<b>13.2</b>	<b>5.5%</b>	<b>2.9%</b>
Departmental agencies and accounts	0.9	1.0	0.9	1.1	6.3%	0.3%	1.2	1.2	1.3	5.5%	0.3%

Higher education institutions	10.2	-	-	-	-100.0%	0.7%	-	-	-	-	-
Households	0.5	7.7	10.0	10.1	180.6%	1.9%	10.6	11.2	11.9	5.5%	2.6%
<b>Payments for capital assets</b>	<b>8.3</b>	<b>6.2</b>	<b>9.4</b>	<b>5.1</b>	<b>-15.1%</b>	<b>1.9%</b>	<b>2.5</b>	<b>2.7</b>	<b>2.8</b>	<b>-17.8%</b>	<b>0.8%</b>
Machinery and equipment	8.3	6.2	6.1	5.1	-15.1%	1.7%	2.5	2.7	2.8	-17.8%	0.8%
Software and other intangible assets	-	-	3.4	-	-	0.2%	-	-	-	-	-
<b>Payments for financial assets</b>	<b>0.1</b>	<b>0.2</b>	<b>0.5</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>315.6</b>	<b>377.5</b>	<b>420.8</b>	<b>392.8</b>	<b>7.6%</b>	<b>100.0%</b>	<b>406.9</b>	<b>427.2</b>	<b>455.9</b>	<b>5.1%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.7%</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.7%</b>	<b>-</b>	<b>-</b>	<b>0.7%</b>	<b>0.7%</b>	<b>0.7%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>0.9</b>	<b>1.0</b>	<b>0.9</b>	<b>1.1</b>	<b>6.3%</b>	<b>0.3%</b>	<b>1.2</b>	<b>1.2</b>	<b>1.3</b>	<b>5.5%</b>	<b>0.3%</b>
Transport Education and Training Authority	0.9	1.0	0.9	1.1	6.3%	0.3%	1.2	1.2	1.3	5.5%	0.3%
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>0.3</b>	<b>0.1</b>	<b>0.1</b>	<b>0.2</b>	<b>-10.8%</b>	<b>-</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>5.7%</b>	<b>-</b>
Employee social benefits	0.3	0.1	0.1	0.2	-10.8%	-	0.2	0.2	0.2	5.7%	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>-</b>	<b>7.5</b>	<b>9.8</b>	<b>9.9</b>	<b>-</b>	<b>1.8%</b>	<b>10.4</b>	<b>11.0</b>	<b>11.7</b>	<b>5.5%</b>	<b>2.6%</b>
Bursaries to non-employees	-	7.5	9.8	9.9	-	1.8%	10.4	11.0	11.7	5.5%	2.6%
<b>Higher education institutions</b>											
<b>Current</b>	<b>10.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.7%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Universities of Pretoria, KwaZulu-Natal and Stellenbosch	10.2	-	-	-	-100.0%	0.7%	-	-	-	-	-

## Expenditure Trends and Estimates

The spending focus over the medium term is on Corporate Services and Management Subprogrammes, which provide operational and administrative support to the Department. A significant proportion of this programme's budget is therefore allocated to spending on compensation of employees, mostly in the Corporate Services, Management and Communication Subprogrammes.

Consultants, advertising, travel and subsistence, and operating leases are the large spending items in the programme over the medium term.

Expenditure on office accommodation from 2013/14 to 2014/15 has increased by 43% due to the Department taking over additional office blocks in the current building from the South African Police Service and stable over the medium term. Expenditure on advertising is also expected to increase over the medium term in support of October Transport Month and Arrive Alive awareness campaigns in the

Subprogramme: Communication. The programme's establishment, constitutes 49% of the Department's overall establishment. As at 30 September 2016, the programme had 333 funded posts.

## Programme 2: Integrated Transport Planning

**Purpose:** To integrate and harmonise key transport sector strategic interventions through continuous development and refining of macro-transport sector policies, strategies and legislation; coordination of development of sector-related policies, coordination of sector research activities; coordination of regional and inter-sphere relations; facilitation of sector transformation; and provision of sector economic modelling and analysis.

### Programme Strategic Objectives

<b>Strategic Goal 1: An efficient and integrated infrastructure network that serves as a catalyst for social and economic development</b>									
<b>Goal Statement:</b> Develop and implement policies and promulgate Acts that are set to drive investments for the maintenance and strategic expansion of the transport infrastructure network, and support the development of transport asset management systems in rural and provincial authorities. The definitive drive of these interventions is to improve the efficiency, capacity and competitiveness of transport operations in all modes.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>1.1 Facilitate integrated macro-transport systems planning to guide investments in the sector</b>	Cabinet approval of the NATMAP 2050	Facilitate approval of the amended NATMAP 2050 Parliament	Facilitate final approval of the NATMAP 2050 by Cabinet	Facilitate the Implementation of NATMAP 2050 Priority Pilot Projects	Monitor implementation of ten (10) NATMAP 2050 Priority Pilot Projects	Monitor implementation of ten (10) NATMAP 2050 Priority Pilot Projects	Initiate NATMAP Review - Transportation Systems and conduct Situational Analysis on the implementation of Projects.	Conduct review of the NATMAP 2050	Conduct Road Shows to promote NATMAP Action Agenda.
	-	-	White Paper on the National Transport Policy reviewed	Submit the White Paper on the National Transport Policy to Cabinet	Submit the White Paper on the National Transport Policy to Cabinet	Develop an Integrated Monitoring Plan for Revised White Paper on National Transport Policy	Monitor implementation of the Revised White Paper on the National Transport Policy	Monitor implementation of the Revised White Paper on the National Transport Policy	Monitor implementation of the Revised White Paper on the National Transport Policy

<b>Strategic Goal 1: An efficient and integrated infrastructure network that serves as a catalyst for social and economic development</b>									
<b>Goal Statement:</b> Develop and implement policies and promulgate Acts that are set to drive investments for the maintenance and strategic expansion of the transport infrastructure network, and support the development of transport asset management systems in rural and provincial authorities. The definitive drive of these interventions is to improve the efficiency, capacity and competitiveness of transport operations in all modes.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>1.2 Promote national, regional and continental integration of transport infrastructure and operations</b>	-	-	Draft Road Freight Strategy Submitted to EXCO for approval	Submit the Road Freight Strategy to Cabinet	Develop an implementation plan of the Road Freight Strategy.	Monitor implementation of the Road Freight Strategy.	Monitor implementation of the Road Freight Strategy.	Review Road Freight Strategy strategic components.	Draft revised Road Freight Strategic components.
	-	-	-	Develop the Draft Regional Transport Market Access Strategy	Develop the Draft Regional Transport Market Access Strategy	Submit Draft Regional Transport Market Access Strategy to Cabinet	Develop and Roll-out Support measures for SA Cross Border market	Develop a monitoring framework for Cross Border road transport market access.	Monitoring cross border road transport market access performance.

<b>Strategic Goal 1: An efficient and integrated infrastructure network that serves as a catalyst for social and economic development</b>									
<b>Goal Statement:</b> Develop and implement policies and promulgate Acts that are set to drive investments for the maintenance and strategic expansion of the transport infrastructure network, and support the development of transport asset management systems in rural and provincial authorities. The definitive drive of these interventions is to improve the efficiency, capacity and competitiveness of transport operations in all modes.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>1.3 Enhance socio-economic transformation of the transport sector</b>	-	-	Cabinet memorandum signed by the Minister	The Single Transport Economic Regulator (STER) Bill submitted to Cabinet.	Submit the Single Transport Economic Regulator (STER) Bill to Cabinet	Submit the Single Transport Economic Regulator (STER) Bill to Parliament.	Develop and roll out the Single Transport Economic Regulator (STER) implementation plan.	Roll out the Single Transport Economic Regulator (STER) implementation plan.	Roll out the Single Transport Economic Regulator (STER) implementation plan.

**Strategic Goal 1: An efficient and integrated infrastructure network that serves as a catalyst for social and economic development**

**Goal Statement:** Develop and implement policies and promulgate Acts that are set to drive investments for the maintenance and strategic expansion of the transport infrastructure network, and support the development of transport asset management systems in rural and provincial authorities. The definitive drive of these interventions is to improve the efficiency, capacity and competitiveness of transport operations in all modes.

Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
	-	-	Draft Road Tariff Determination Framework approved by the Minister.	Road Tariff Determination Framework developed and submitted to EXCO and the Minister	Submit Road Tariff Determination Framework to Cabinet	Implement Cabinet Recommendations and re-submit to Cabinet.	Monitor the implementation of the Road Tariff Determination Framework.	Monitor the implementation of the Road Tariff Determination Framework.	Monitor the implementation of the Road Tariff Determination Framework.

**Strategic Goal 6: Increased contribution of transport to environmental protection**

**Goal Statement:** Develop and implement policies that aim to mitigate climate change and adaptation responses through reduction of greenhouse gas (GHG) emission, aviation noise and pollution at sea.

Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>6.1 Reduce GHG emissions</b>	-	-	The draft Green Transport Strategy developed	Submit the Green Transport Strategy to Cabinet	Submit the Green Transport Strategy to Cabinet	Raise public awareness on the Green Transport Strategy	Monitor the implementation of the Green Transport Strategy	Monitor implementation of the Green Transport Strategy	Monitor implementation of the Green Transport Strategy

## Programme performance indicators and targets for 2017/18

<b>Strategic Objective 1.1: Facilitate integrated macro-transport systems planning to guide investments in the sector</b>							
<b>Objective Statement:</b> To formulate and implement national transport macro-planning legislation, policies and strategies. The main priority over the MTSF is to complete the revision of the White Paper on the National Transport Policy and the final approval and implementation of the NATMAP 2050 by 2019.							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>1.1.2.1 NATMAP 2050 implemented</b>	Cabinet approval of the NATMAP 2050	Facilitate approval of the amended NATMAP 2050 Parliament	Facilitate final approval of the NATMAP 2050 by Cabinet	Facilitate the Implementation of NATMAP 2050 Priority Pilot Projects	Monitor implementation of ten (10) NATMAP 2050 Priority Pilot Projects	Monitor implementation of ten (10) NATMAP 2050 Priority Pilot Projects	Initiate NATMAP Review - Transportation Systems and conduct Situational Analysis on the implementation of Projects.
<b>1.1.2.2 White Paper on the National Transport Policy submitted to Cabinet by March 2018</b>	-	-	White Paper on the National Transport Policy reviewed	Submit the White Paper on the National Transport Policy to Cabinet	Submit the final revised White Paper on the National Transport Policy to Cabinet	Develop an Integrated Monitoring Plan for Revised White Paper on National Transport Policy	Monitor implementation of the Revised White Paper on the National Transport Policy

<b>Strategic Objective 1.2: Promote national, regional and continental integration of transport infrastructure and operations</b>							
<b>Objective Statement:</b> To develop and implement strategies to enhance seamless movement of freight and passengers across all modes of transport. Critical during the MTSF is to ensure that the Road Freight Strategy is completed to inform the movement of rail-friendly goods from roads to rail by 2019.							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>1.2.2.1 Implementation of the Road Freight Strategy monitored</b>	-	-	Draft Road Freight Strategy submitted to EXCO for approval	Submit the Road Freight Strategy to Cabinet	Develop an implementation plan of the Road Freight Strategy.	Monitor implementation of the Road Freight Strategy.	Monitor implementation of the Road Freight Strategy.
<b>1.2.2.2 Regional Transport Market Access Strategy</b>	-	-	-	Develop the Draft Regional Transport Market Access Strategy	Develop the Draft Regional Transport Market Access Strategy	Submit Draft Regional Transport Market Access Strategy to Cabinet	Develop and Roll-out Support measures for SA Cross Border market

<b>Strategic Objective 1.2: Promote national, regional and continental integration of transport infrastructure and operations</b>							
<b>Objective Statement:</b> To develop and implement strategies to enhance seamless movement of freight and passengers across all modes of transport. Critical during the MTSF is to ensure that the Road Freight Strategy is completed to inform the movement of rail-friendly goods from roads to rail by 2019.							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
developed by March 2018							

<b>Strategic Objective 1.3: Enhance socio-economic transformation of the transport sector</b>							
<b>Objective Statement:</b> To standardise economic regulations and enhance participation and inclusion of key stakeholders in mainstream sector interventions. Establishment of the STER, by 2019, will assist in ensuring attraction of more private sector investment into the Transport sector through creation of more predictable tariffs.							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>1.3.2.1 Single Transport Economic Regulator (STER) Bill submitted to Cabinet by March 2018</b>	-	-	Cabinet memorandum signed by the Minister	The Single Transport Economic Regulator (STER) Bill submitted to Cabinet.	Submit the Single Transport Economic Regulator (STER) Bill to Cabinet	Submit the Single Transport Economic Regulator (STER) Bill to Parliament.	Develop and roll out the Single Transport Economic Regulator (STER) implementation plan.
<b>1.3.2.2 Road Tariff Determination Framework submitted to Cabinet by March 2018</b>	-	-	Draft Road Tariff Determination Framework approved by the Minister.	Road Tariff Determination Framework developed and submitted to EXCO and the Minister	Submit Road Tariff Determination Framework to Cabinet	Implement Cabinet Recommendations and re-submit to Cabinet.	Monitor the implementation of the Road Tariff Determination Framework.



**Strategic Objective 6.1: Reduce GHG emissions**

**Objective Statement:** To develop and implement strategies aimed at reducing GHG emissions in the Transport Sector. The Green Transport Strategy, which is to be implemented within the MTSF, will aim to emphasise green transportation policy statements, whilst minimising the adverse impact of transport activities on the environment; and addressing current and future transport demands based on sustainable development principles.

Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
1.6.2.1 Green Transport Strategy submitted to Cabinet by March 2018	-	-	The draft Green Transport Strategy developed	Submit the Green Transport Strategy to Cabinet	Submit the Green Transport Strategy to Cabinet	Raise public awareness on the Green Transport Strategy	Monitor the implementation of the Green Transport Strategy

## Quarterly targets for 2017/18

<b>Strategic Objective 1.1: Facilitate integrated macro-transport systems planning to guide investments in the sector</b>							
<b>Objective Statement:</b> To formulate and implement national transport macro-planning legislation, policies and strategies. The main priority over the MTSF is to complete the revision of the White Paper on the National Transport Policy and the final approval and implementation of the NATMAP 2050 by 2019.							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>1.1.2.1 Roll-out of 10 NATMAP 2050 interventions by March 2019</b>	Quarterly	Implementation of ten (10) NATMAP 2050 Priority Pilot Projects monitored	Operational Budget	Develop Performance Monitoring Framework	Conduct Performance Monitoring on four (4) prioritised pilot projects	Conduct Performance Monitoring on four (4) prioritised pilot projects	Conduct Performance Monitoring on two (2) prioritised pilot projects
<b>1.1.2.2 White Paper on the National Transport Policy submitted to Cabinet by March 2018</b>	Quarterly	Final revised White Paper on the National Transport Policy submitted to Cabinet	Operational Budget	Publish the draft Revised White Paper on the National Transport Policy in the Government Gazette	Submit the White Paper on the National Transport Policy to DPME for SEIAS assessment	Submit the White Paper on the National Transport Policy to the ESEID Cluster	Submit the White Paper on the National Transport Policy to Cabinet

<b>Strategic Objective 1.2: Promote national, regional and continental integration of transport infrastructure and operations</b>							
<b>Objective Statement :</b> To develop and implement strategies to enhance seamless movement of freight and passengers across all modes of transport. Critical during the MTSF is to ensure that the Road Freight Strategy is completed to inform the movement of rail-friendly goods from roads to rail by 2019.							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>1.2.2.1 Implementation of the Road Freight Strategy monitored</b>	Quarterly	Road Freight Strategy Implementation Plan developed	Operational Budget	-	Develop Road Freight Strategy Implementation Plan	Conduct stakeholder consultations on the Road Freight Strategy Implementation Plan	Consolidate stakeholder inputs and finalise the draft Implementation Plan
<b>1.2.2.2 Regional Transport Market Access Strategy developed by March 2018</b>	Quarterly	Develop Regional Transport Market Access Strategy developed	Operational Budget	Conduct stakeholder consultations towards the Draft Regional Transport Market Access Strategy	Conduct stakeholder consultations towards the Draft Regional Transport Market Access Strategy	Conduct a benchmarking exercise within the SADC region to identify best practices	Consolidate stakeholder inputs and finalise the draft Regional Transport Market Access Strategy

<b>Strategic Objective 1.3: Enhance socio-economic transformation of the transport sector</b>							
<b>Objective Statement:</b> To standardise economic regulations and enhance participation and inclusion of key stakeholders in mainstream sector interventions. Establishment of the STER, by 2019, will assist in ensuring attraction of more private sector investment into the Transport sector through creation of more predictable tariffs.							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>1.3.2.1 Single Transport Economic Regulator (STER) Bill submitted to Cabinet by March 2018</b>	Quarterly	Single Transport Economic Regulator (STER) Bill submitted to Cabinet	Operational Budget	Submit the draft Single Transport Economic Regulator (STER) Bill to Cabinet for approval to gazette for public consultations	Publish the Single Transport Economic Regulator (STER) Bill in the Government Gazette	Consider and incorporate inputs into the draft Single Transport Economic Regulator (STER) Bill	Submit the draft Single Transport Economic Regulator (STER) Bill to Cabinet
<b>1.3.2.2 Road Tariff Determination Framework submitted to Cabinet by March 2018</b>	Quarterly	Road Tariff Determination Framework submitted to Cabinet	Operational Budget	Consolidate stakeholder inputs and finalise the draft Framework	Submit the Road Tariff Determination Framework to DPME for SEIAS assessment	Submit the Road Tariff Determination Framework to ESEID Cluster	Submit the Road Tariff Determination Framework to Cabinet

<b>Strategic Objective 6.1: Reduce GHG emissions</b>							
<b>Objective Statement:</b> To develop and implement strategies aimed at reducing GHG emissions in the Transport Sector. The Green Transport Strategy, which is to be implemented within the MTSF, will aim to emphasise green transportation policy statements, whilst minimising the adverse impact of transport activities on the environment; and addressing current and future transport demands based on sustainable development principles.							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>6.1.2.1 Green Transport Strategy submitted to Cabinet by March 2018</b>	Quarterly	Green Transport Strategy submitted to Cabinet	Operational Budget	Publish the draft Green Transport Strategy in the Government Gazette	Submit the draft Green Transport Strategy to DPME for SEIAS assessment	Submit the draft Green Transport Strategy to the ESEID Cluster	Submit the Draft Green Transport Strategy to Cabinet

# Expenditure Estimates

Subprogramme	Audited outcome				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R million												
Macro Sector Planning	9.0	13.3	12.7	15.4	19.8%	16.3%	16.8	17.7	18.9	7.0%	20.4%	
Freight Logistics	16.0	13.5	23.0	20.4	8.4%	23.6%	21.1	22.2	23.6	5.0%	25.8%	
Modelling and Economic Analysis	21.8	19.8	25.8	17.2	-7.6%	27.4%	17.2	18.1	19.3	3.9%	21.2%	
Regional Integration	6.1	7.7	8.2	6.6	2.5%	9.3%	6.7	7.1	7.6	4.9%	8.3%	
Research and Innovation	7.4	14.1	13.4	13.1	21.3%	15.5%	13.5	14.2	15.2	5.0%	16.6%	
Integrated Transport Planning Administration Support	6.1	6.6	5.6	6.2	0.6%	7.9%	6.4	6.7	7.1	4.9%	7.8%	
<b>Total</b>	<b>66.4</b>	<b>75.0</b>	<b>88.8</b>	<b>79.0</b>	<b>6.0%</b>	<b>100.0%</b>	<b>81.7</b>	<b>86.0</b>	<b>91.8</b>	<b>5.2%</b>	<b>100.0%</b>	
Change to 2016 Budget estimate				-			0.2	0.2	0.2			
<b>Economic classification</b>												
<b>Current payments</b>	<b>65.5</b>	<b>74.1</b>	<b>87.6</b>	<b>78.8</b>	<b>6.3%</b>	<b>99.0%</b>	<b>81.5</b>	<b>85.8</b>	<b>91.6</b>	<b>5.2%</b>	<b>99.8%</b>	
Compensation of employees	31.7	36.6	43.1	44.3	11.8%	50.3%	45.8	48.5	52.2	5.7%	56.4%	
Goods and services	33.8	37.5	44.5	34.5	0.7%	48.6%	35.6	37.3	39.4	4.5%	43.4%	
<i>of which:</i>												
Administrative fees	2	-	-	-	-100.0%	0.6%	-	-	-	-	-	
Advertising	0.0	1.2	3.8	0.6	285.1%	1.8%	0.7	0.8	0.8	9.1%	0.9%	
Minor assets	0	0	0	0	-16.9%	0.2%	-	-	-	-100.0%	-	
Audit costs: External	0	-	-	-	-100.0%	0.1%	-	-	-	-	-	
Catering: Departmental activities	0.1	0.1	0.1	0.4	90.2%	0.2%	1.2	1.2	1.3	45.7%	1.2%	
Communication	0.4	0.6	0.7	0.6	14.6%	0.8%	0.7	0.7	0.7	4.8%	0.8%	
Computer services	0	0	0	-	-100.0%	0.1%	-	-	-	-	-	
Consultants: Business and advisory services	22.6	27.4	24.6	25.0	3.4%	32.2%	25.9	27.1	28.6	4.6%	31.5%	
Contractors	0	0	0	-	-100.0%	0.1%	-	-	-	-	-	
Agency and support/outourced services	-	-	0	-	-	-	-	-	-	-	-	
Entertainment	-	0	-	-	-	-	-	-	-	-	-	
Consumable supplies	0	0	0	0	-37.4%	0.2%	0	0	0	-39.0%	-	
Consumables: Stationery, printing and office supplies	1	0	1	0	-42.6%	0.7%	0	0	0	-13.6%	0.2%	
Operating leases	0	0	0	0	-44.9%	0.2%	-	-	-	-100.0%	-	
Travel and subsistence	4.3	5.2	7.5	4.5	2.0%	7.0%	4.7	4.9	5.2	4.5%	5.7%	
Training and development	0	0	1	0	204.9%	0.5%	0	0	1	6.1%	0.6%	
Operating payments	1	1	1	0	-23.6%	1.0%	-	-	-	-100.0%	0.1%	
Venues and facilities	1.4	0.8	4.8	2.2	15.0%	3.0%	1.9	2.0	2.1	-0.9%	2.4%	
<b>Transfers and subsidies</b>	<b>0.1</b>	<b>0.2</b>	<b>0.1</b>	<b>-</b>	<b>-100.0%</b>	<b>0.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Households	0.1	0.2	0.1	-	-100.0%	0.1%	-	-	-	-	-	
<b>Payments for capital assets</b>	<b>0.8</b>	<b>0.7</b>	<b>1.1</b>	<b>0.2</b>	<b>-38.0%</b>	<b>0.9%</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>5.2%</b>	<b>0.2%</b>	
Machinery and equipment	0.8	0.7	1.1	0.2	-38.0%	0.9%	0.2	0.2	0.2	5.2%	0.2%	
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

Total	66.4	75.0	88.8	79.0	6.0%	100.0%	81.7	86.0	91.8	5.2%	100.0%
Proportion of total programme expenditure to vote expenditure	0.2%	0.2%	0.2%	0.1%	-	-	0.1%	0.1%	0.1%	-	-

## Expenditure Trends and Estimates

The bulk spending in the programme is concentrated in the Modelling and Economic Analysis and the Freight Logistics Subprogrammes. Over the MTEF period, the programme will continue to spend in the following projects; Monitor the implementation of Road Freight Strategy, Monitor the implementation of NATMAP 2050, and Develop Integrated Monitoring and Evaluation Plan on the Revised White Paper on National Transport Policy and submit the following to parliament; the Single Transport Economic Regulator (STER) bill, draft Regional Transport Market Integration Strategy and Road Tarrif Determination Framework.

Spending on consultants constitute 37% of the total budget of the programme and expended to remain stable over the medium term.

The increases in expenditure on travel and subsistence, and venues and facilities in 2013/14, 2014/15 and 2015/16 were due to workshops held in provinces on the Integrated Transport Sector Broad-Based Black Economic Empowerment Charter.

The programme had 72 funded posts on establishment as at September 2016.

## Programme 3: Rail Transport

**Purpose:** The programme exists to facilitate and coordinate the development of sustainable rail transport policies, rail economic and safety regulation, infrastructure development strategies; and systems that reduce system costs and improve customer service; and to monitor and oversee the Railway Safety Regulator and the Passenger Rail Agency of South Africa; and the implementation of integrated rail services planned through the lowest competent sphere of government.

### Programme Strategic Objectives

<b>Strategic Goal 1: An efficient and integrated infrastructure network that serves as a catalyst for social and economic development</b>									
<b>Goal Statement:</b> Develop and implement policies and promulgate Acts that are set to drive investments for the maintenance and strategic expansion of the transport infrastructure network, and support the development of transport asset management systems in rural and provincial authorities. The definitive drive of these interventions is to improve the efficiency, capacity and competitiveness of transport operations in all modes.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>1.5 Enhance performance, efficiency and reliability of the transport sector</b>	Revised Green Paper on National Rail Policy	Draft White Paper on National Rail Policy developed	Final Draft White Paper on National Rail Policy developed	Submit the White Paper on the National Rail Policy to ESEID Cluster	Submit the White Paper on the National Rail Policy to Cabinet	Develop the Draft National Rail Strategy	Submit the National Rail Strategy to Cabinet	Monitor implementation of the White Paper on the National Rail Policy	Monitor implementation of the White paper on the National Rail Policy
	-	-	-	Develop the National Rail Bill	Submit the National Rail Bill to ESEID Cluster	Submit the National Rail Bill to Parliament	Develop draft regulations for the National Rail Act	Monitor implementation of the National Rail Act	Monitor implementation of the National Rail Act
	Memorandum of Understanding (MoU) and Terms of Reference	Ministerial Task Team established	Guidelines for submission of rail economic regulatory information to the Ministerial Task Team	Develop Draft Economic Regulations for the Rail sector	Develop Migration Plan to migrate Interim Rail Economic Regulatory Capacity to STER	Monitor implementation of Economic Regulations for the rail sector within the STER	Monitor implementation of Economic Regulations for the rail sector within the STER	Monitor implementation of Economic Regulations for the rail sector within the STER	Monitor implementation of Economic Regulations for the rail sector within the STER

<b>Strategic Goal 1: An efficient and integrated infrastructure network that serves as a catalyst for social and economic development</b>									
<b>Goal Statement:</b> Develop and implement policies and promulgate Acts that are set to drive investments for the maintenance and strategic expansion of the transport infrastructure network, and support the development of transport asset management systems in rural and provincial authorities. The definitive drive of these interventions is to improve the efficiency, capacity and competitiveness of transport operations in all modes.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
	for Ministerial Task Team		submitted for approval						
	-	Draft Branchline Strategy developed	Branchline Strategy submitted to ESEID Cluster for approval	Develop the Branchline model for Private Sector Participation (PSP)	Develop draft Memorandum of Understanding (MoU) between the DoT and DPE for the implementation of the PSP Framework on the Pilot Branchine	Develop implementation plan for the PSP Framework	Monitor and oversee the implementation of PSP Framework	Monitor and oversee the implementation of PSP Framework	Monitor and oversee the implementation of PSP Framework

<b>Strategic Goal 2: A transport sector that is safe and secure</b>									
<b>Goal Statement:</b> Develop and implement policies and strategies that seek to reduce accidents and incidents in the road, rail, aviation and maritime environment.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>2.1 Regulate and enhance transport safety and security</b>	Accidents and incidents status quo report	Safety Gap Analysis on railway safety completed	Draft Railway Safety Bill developed	Submit the draft Railway Safety Bill to Cabinet	Submit the draft Railway Safety Bill to the ESEID Cluster	Submit the draft Railway Safety Bill to Parliament	Develop draft regulations for the Railway Safety Act	Monitor implementation of the Railway Safety Act	Monitor implementation of the Railway Safety Act

## Programme performance indicators and targets for 2017/18

<b>Strategic Objective 1.5: Enhance performance, efficiency and reliability of the rail transport sector</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at improving transport operations. Key during the MTSF is to finalise and implement the National Rail Policy and National Rail Act by 2019. The Policy will aim to guide development of the rail sector; and to align and revitalise the industry in line with rail's global development trajectory.							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>1.5.3.1 White Paper on the National Rail Policy submitted to Cabinet by March 2018</b>	Revised Green Paper on National Rail Policy	Draft White Paper on National Rail Policy developed	Final Draft White Paper on National Rail Policy developed	Submit the White Paper on the National Rail Policy to ESEID Cluster	Submit the White Paper on the National Rail Policy to Cabinet	Develop the Draft National Rail Strategy	Submit the National Rail Strategy to Cabinet
<b>1.5.3.2 National Rail Bill submitted to Parliament by March 2019</b>	-	-	-	Develop the National Rail Bill	Submit the National Rail Bill to ESEID Cluster	Submit the National Rail Bill to Parliament	Develop draft regulations for the National Rail Act
<b>1.5.3.3 Migration Plan (Interim Rail Economic Regulatory Capacity to the STER) developed by March 2018</b>	Memorandum of Understanding (MoU) and Terms of Reference for Ministerial Task Team	Ministerial Task Team established	Guidelines for submission of rail economic regulatory information to the Ministerial Task Team submitted for approval	Develop Draft Economic Regulations for the Rail sector	Develop Migration Plan to migrate Interim Rail Economic Regulatory Capacity to STER	Monitor implementation of Economic Regulations for the rail sector within the STER	Monitor implementation of Economic Regulations for the rail sector within the STER
<b>1.5.3.4 Implementation of the Branchline Model for Private Sector Participation (PSP) monitored</b>	-	Draft Branchline Strategy developed	Branchline Strategy submitted to ESEID Cluster for approval	Develop the Branchline model for Private Sector Participation (PSP)	Develop draft Memorandum of Understanding (MoU) between the DoT and DPE for the implementation of the PSP Framework on the Pilot Branchline	Develop implementation plan for the PSP Framework	Monitor and oversee the implementation of PSP Framework



**Strategic Objective 2.1: Regulate and enhance transport safety and security**

**Objective Statement:** To develop and implement interventions aimed at enhancing transport safety and security. Critical over the MTSF is to have the National Railway Safety Regulator Act completed, approved and implemented by 2019.

Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>2.1.3.1 Railway Safety Bill submitted to Parliament by March 2019</b>	Accidents and incidents status quo report	Safety Gap Analysis on railway safety completed	Draft Railway Safety Bill developed National Railway Safety Strategy developed	Submit the draft Railway Safety Bill to Cabinet	Submit the draft Railway Safety Bill to the ESEID Cluster	Submit the draft Railway Safety Bill to Parliament	Develop draft regulations for the Railway Safety Act

## Quarterly targets for 2017/18

<b>Strategic Objective 1.5: Enhance performance, efficiency and reliability of the rail transport sector</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at improving transport operations. Key during the MTSF is to finalise and implement the National Rail Policy and National Rail Act by 2019. The Policy will aim to guide development of the rail sector; and to align and revitalise the industry in line with rail's global development trajectory.							
Programme performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>1.5.3.1 White Paper on the National Rail Policy submitted to Cabinet by March 2018</b>	Quarterly	White Paper on the National Rail Policy submitted to Cabinet	R2 406	Submit the National Rail Policy to DPME for SEIAS assessment	Submit the Draft White Paper on the National Rail Policy to the ESEID Cluster	Consolidate inputs and update the Draft White Paper on the National Rail Policy	Submit the Draft White Paper on the National Rail Policy to Cabinet
<b>1.5.3.2 National Rail Bill submitted to Parliament by March 2019</b>	Quarterly	National Rail Bill submitted to the ESEID Cluster	Operational Budget	Conduct stakeholder consultations on the National Rail Bill	Conduct stakeholder consultations on the National Rail Bill	Submit the National Rail Bill to DPME for SEIAS assessment	Submit the national Rail Bill to ESEID Cluster
<b>1.5.3.3 Migration Plan (Interim Rail Economic Regulatory Capacity to the STER) developed by March 2018</b>	Quarterly	Develop Migration Plan developed (Interim Rail Economic Regulatory Capacity to STER)	R4 288	Assess capacity requirements within the STER relating to rail functions	Determine skills requirements for priority areas of rail regulation that need to be capacitated	Determine operational requirements for rail functions within STER	Develop Migration Plan
<b>1.5.3.4 Implementation of the Branchline Model for Private Sector Participation (PSP) monitored</b>	Quarterly	Draft Memorandum of Understanding (MoU) between DoT and DPE for the implementation of PSP Framework on the Branchlines submitted to the Minister for approval	Operational Budget	Develop draft Memorandum of Understanding (MoU) between DoT and DPE for the implementation of PSP Framework on the Branchlines	Conduct consultations with the DPE on the draft MoU	Incorporate inputs and finalise the MoU	Submit MoU for Ministerial approval

<b>Strategic Objective 2.1: Regulate and enhance transport safety and security</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at enhancing transport safety and security. Critical over the MTSF is to have the National Railway Safety Regulator Act completed, approved and implemented by 2019.							
<b>Programme performance indicator</b>	<b>Reporting period</b>	<b>Annual target 2017/18</b>	<b>Allocated budget '000</b>	<b>Quarterly targets</b>			
				<b>1<sup>st</sup></b>	<b>2<sup>nd</sup></b>	<b>3<sup>rd</sup></b>	<b>4<sup>th</sup></b>
<b>2.1.3.1 Railway Safety Bill submitted to Parliament by March 2019</b>	Quarterly	Draft Railway Safety Bill submitted to the ESEID Cluster	R1 654	Conduct stakeholder consultation on the draft Railway Safety Bill	Consider and incorporate inputs on the Draft Railway Safety Bill	Submit the Draft Railway Safety Bill to DPME for SEIAS assessment	Submit the Draft Railway Safety Bill to the ESEID Cluster

# Expenditure Estimates

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
R million											
Rail Regulation	5.6	10.4	11.7	18.7	49.1%	0.1%	19.2	20.2	21.4	4.7%	0.1%
Rail Infrastructure and Industry Development	14.9	13.7	7.6	8.7	-16.5%	0.1%	12.3	12.1	12.8	13.8%	0.1%
Rail Operations	4.2	9.9	4.9	7.9	23.0%	-	7.7	8.2	8.8	3.7%	-
Rail Oversight	11 205.6	14 998.0	18 278.2	18 946.3	19.1%	99.8%	19 276.0	21 171.5	22 301.5	5.6%	99.8%
Rail Administration Support	2.4	3.4	2.9	4.1	18.7%	-	5.1	5.4	6.0	13.9%	-
<b>Total</b>	<b>11 232.8</b>	<b>15 035.5</b>	<b>18 305.3</b>	<b>18 985.5</b>	<b>19.1%</b>	<b>100.0%</b>	<b>19 320.3</b>	<b>21 217.3</b>	<b>22 350.5</b>	<b>5.6%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				-			(813.6)	(73.1)	(132.7)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>27.0</b>	<b>37.2</b>	<b>29.6</b>	<b>39.1</b>	<b>13.1%</b>	<b>0.2%</b>	<b>44.2</b>	<b>45.7</b>	<b>48.9</b>	<b>7.7%</b>	<b>0.2%</b>
Compensation of employees	13.4	20.2	19.9	23.3	20.3%	0.1%	25.5	26.3	28.5	6.9%	0.1%
Goods and services	13.6	17.0	9.6	15.8	5.1%	0.1%	18.6	19.4	20.4	8.9%	0.1%
<i>of which:</i>											
Advertising	-	0	0	0	-	-	-	-	(0)	-158.5%	-
Minor assets	0	0	0	0	9.6%	-	0	0	0	-23.9%	-
Catering: Departmental activities	0.0	0.0	0.0	0.1	71.0%	-	0.1	0.1	0.1	0.5%	-
Communication	0.2	0.3	0.7	0.3	3.9%	-	0.3	0.3	0.3	6.8%	-
Computer services	0	0	0	0	-75.3%	-	-	-	-	-100.0%	-
Consultants: Business and advisory services	12.0	14.4	5.0	7.4	-15.1%	0.1%	6.1	6.4	6.7	-3.2%	-
Infrastructure and planning services	-	-	-	6.5	-	-	10.5	11.0	11.5	20.8%	-
Contractors	0	0	0	0	71.0%	-	-	-	-	-100.0%	-
Consumable supplies	0	0	0	0	-45.3%	-	0	0	0	-4.7%	-
Consumables: Stationery, printing and office supplies	0.0	0.1	0.4	0.1	42.7%	-	0.2	0.2	0.2	22.5%	-
Operating leases	0	0	0	-	-100.0%	-	-	-	-	-	-
Property payments	0	-	-	-	-100.0%	-	-	-	-	-	-
Travel and subsistence	0.5	1.2	1.9	1.2	30.8%	-	1.3	1.4	1.5	6.3%	-
Training and development	0	0	0	0	155.4%	-	0	0	0	3.2%	-
Operating payments	0	0	0	0	50.8%	-	-	-	-	-100.0%	-
Venues and facilities	0	0	1	0	-23.6%	-	0	0	0	-22.5%	-
<b>Transfers and subsidies</b>	<b>11 205.6</b>	<b>14 997.8</b>	<b>18 275.5</b>	<b>18 946.3</b>	<b>19.1%</b>	<b>99.8%</b>	<b>19 276.0</b>	<b>21 171.5</b>	<b>22 301.5</b>	<b>5.6%</b>	<b>99.8%</b>
Departmental agencies and accounts	46.5	51.5	53.4	56.0	6.4%	0.3%	59.6	63.0	66.5	5.9%	0.3%
Public corporations and private enterprises	11 159.1	14 946.3	18 222.0	18 890.3	19.2%	99.5%	19 216.4	21 108.5	22 235.0	5.6%	99.5%
Households	-	-	0.0	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>0.2</b>	<b>0.6</b>	<b>0.3</b>	<b>0.2</b>	<b>-7.0%</b>	<b>-</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>-9.9%</b>	<b>-</b>
Machinery and equipment	0.2	0.6	0.3	0.2	-7.0%	-	0.1	0.1	0.1	-9.9%	-
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>11 232.8</b>	<b>15 035.5</b>	<b>18 305.3</b>	<b>18 985.5</b>	<b>19.1%</b>	<b>100.0%</b>	<b>19 320.3</b>	<b>21 217.3</b>	<b>22 350.5</b>	<b>5.6%</b>	<b>100.0%</b>

Proportion of total programme expenditure to vote expenditure	26.1%	30.6%	34.3%	33.7%	-	-	32.3%	32.7%	32.6%	-	-
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
Current	46.5	51.5	53.4	56.0	6.4%	0.3%	59.6	63.0	66.5	5.9%	0.3%
Railway Safety Regulator	46.5	51.5	53.4	56.0	6.4%	0.3%	59.6	63.0	66.5	5.9%	0.3%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
Capital	6 831.1	11 059.0	14 155.9	14 608.6	28.8%	73.4%	13 720.7	15 352.0	16 212.1	3.5%	73.2%
Passenger Rail Agency of South Africa: Other capital programmes	4 851.2	3 906.6	8 234.6	7 206.9	14.1%	38.1%	5 875.4	7 051.7	4 762.1	-12.9%	30.4%
Passenger Rail Agency of South Africa: Rolling stock fleet renewal programme	-	5 700.0	2 560.5	4 170.3	-	19.6%	4 420.5	4 676.9	7 623.7	22.3%	25.5%
Passenger Rail Agency of South Africa: Signalling	1 105.2	810.7	1 876.0	1 844.2	18.6%	8.9%	1 912.8	2 023.8	2 137.1	5.0%	9.7%
Passenger Rail Agency of South Africa: Metrorail (refurbishment of coaches)	746.7	547.7	1 267.5	1 283.5	19.8%	6.1%	1 360.5	1 439.4	1 520.1	5.8%	6.8%
Passenger Rail Agency of South Africa: Mainline passenger service (refurbishment of coaches)	128.0	93.9	217.3	103.8	-6.8%	0.9%	151.4	160.2	169.2	17.7%	0.7%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Public corporations (subsidies on products and production)</b>											
Current	4 328.0	3 887.3	4 066.2	4 281.7	-0.4%	26.1%	5 495.7	5 756.5	6 022.9	12.0%	26.3%
Passenger Rail Agency of South Africa: Metrorail (operations)	3 678.0	3 458.9	3 618.0	3 809.8	1.2%	22.9%	4 000.2	4 232.2	4 469.2	5.5%	20.2%
Passenger Rail Agency of South Africa: Mainline passenger services (operations)	650.0	428.4	448.1	471.9	-10.1%	3.1%	1 495.6	1 524.3	1 553.7	48.8%	6.2%

## Expenditure Trends and Estimates

The programme facilitate and coordinate transferring of subsidy funds to Passenger Rail Agency of South Africa (PRASA) and Railway Safety Regulator for operations, maintenance and upgrades of outdated infrastructure. Spending on rail infrastructure in the Rail programme over the medium term is expected to increase from R19.0 billion in 2016/17 to R22.3 billion in 2019/20 as the Agency procures new trains and continues to upgrade its signaling infrastructure and build depots. The first 20 new train sets are expected to be delivered in the 2017/18 financial year.

The cabinet approved R6.7 billion baseline reduction over the medium term on transfers to PRASA: Other capital programmes, of which R3.0 billion will fund Mainline Passenger Service operations, R2.7 billion will be reprioritized for PRASA new rolling stock programme in 2019/20. The spending on Metrorail and Shosholoza Meyl over the medium term is expected to subsidies over 484 million passenger trips per year and 804 thousand passenger trips for long distance service in 2019/20.

Spending focus on Rail Infrastructure and Industry Development Subprogramme is expected to increase to the following projects: Facilitate the submission of National Rail bill and draft National Railway safety regulator amendment bill, implementation of the pilot branchline and developing a Migration Plan to migrate Interim Rail Economic Regulator.

An amount of R6 million has been allocated over MTEF period for capacity development of capacity for Rail Economic Regulation. The programme had an approved establishment of 36 funded posts as at September 2016.

## Programme 4: Road Transport

**Purpose:** The programme exists to develop and manage an integrated road infrastructure network, regulate road transport, ensure safer roads, and oversee road agencies.

### Programme Strategic Objectives

**Purpose:** The programme exists to develop and manage an integrated road infrastructure network, regulate road transport, ensure safer roads, and oversee road agencies.

### Programme Strategic Objectives

<b>Strategic Goal 1: An efficient and integrated infrastructure network that serves as a catalyst for social and economic development</b>									
<b>Goal Statement:</b> Develop and implement policies and promulgate Acts that are set to drive investments for the maintenance and strategic expansion of the transport infrastructure network, and support the development of transport asset management systems in rural and provincial authorities. The definitive drive of these interventions is to improve the efficiency, capacity and competitiveness of transport operations in all modes.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>1.4 Ensure a sustainable transport infrastructure network</b>	Development of the Road Infrastructure Asset Management Policy (RIAMP)	Rehabilitation , re-sealing, patching, re-gravelling and blading of roads	Draft Road Infrastructure Policy developed	Draft Green Paper of the Roads Transport Policy submitted to Cabinet	Submit the White Paper on the Roads Policy to FOSAD Clusters	Submit the White Paper on the Roads Policy to Cabinet	Monitor implementation of the White Paper on the Roads Policy	Monitor implementation of the White Paper on the Roads Policy	Monitor implementation of the White Paper on the Roads Policy
	Construction and maintenance	Construction and maintenance	Construction and maintenance	Construction and maintenance of national and	Monitor the overall implementation	Monitor the overall implementation of the SSP in line	Monitor the overall implementation	Monitor the overall implementation	Monitor the overall implementation

<b>Strategic Goal 1: An efficient and integrated infrastructure network that serves as a catalyst for social and economic development</b>									
<b>Goal Statement:</b> Develop and implement policies and promulgate Acts that are set to drive investments for the maintenance and strategic expansion of the transport infrastructure network, and support the development of transport asset management systems in rural and provincial authorities. The definitive drive of these interventions is to improve the efficiency, capacity and competitiveness of transport operations in all modes.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
	of national and provincial roads monitored in	of national and provincial roads monitored in line with the budget	of national and provincial roads monitored in line with the budget	provincial roads monitored in line with the budget	of the SSP in line with the PRMG budget	with the PRMG budget	of the SSP in line with the PRMG budget	of the SSP in line with the PRMG budget	of the SSP in line with the PRMG budget
	-	-	Status quo analysis on the municipal road network conducted	Develop Draft Access Road Development Plan and conduct stakeholder consultations with identified rural municipalities	Conduct comprehensive stakeholder consultations on the draft Access Road Development Plan	Submit the Access Road Development Plan to Cabinet	Monitor implementation of the Access Road Development Plan	Monitor implementation of the Access Road Development Plan	Monitor implementation of the Access Road Development Plan

<b>Strategic Goal 2: A transport sector that is safe and secure</b>									
<b>Goal Statement:</b> Develop and implement policies and strategies that seek to reduce accidents and incidents in the road, rail, aviation and maritime environment.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>2.1 Regulate and enhance transport safety and security</b>	-	-	-	Develop Inception Report for the review of Founding Legislations of Road Entities	Conduct the review of Founding Legislations of Road Entities	Develop Draft Bill for Founding Legislations of Road Entities	Submit Draft Bill for Founding Legislations of Road Entities to Cabinet	Submit Draft Bill for Founding Legislations of Road Entities to Parliament	Monitor implementation of the Founding Legislations Amendment Act
	-	-	-	Submit Road Safety Strategy to Cabinet	Submit the 2016-2030 National Road Safety Strategy to Cabinet	Monitor implementation of the 2016-2030 National Road Safety Strategy	Monitor implementation of the 2016-2030 National Road Safety Strategy	Monitor implementation of the 2016-2030 National Road Safety Strategy	Monitor implementation of the 2016-2030 National Road Safety Strategy



**Strategic Goal 2: A transport sector that is safe and secure**

Goal Statement: Develop and implement policies and strategies that seek to reduce accidents and incidents in the road, rail, aviation and maritime environment.

Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
	-	-	-	-	Develop the draft Anti-Fraud and Corruption Strategy for Driving Licence Testing Centres (DLTCs), Vehicle Testing Centres (VTCs) and Registration Authorities	Conduct stakeholder consultations on the draft Anti-Fraud and Corruption Strategy	Submit the draft Anti-Fraud and Corruption Strategy to Cabinet	Monitor implementation of the Anti-Fraud and Corruption Strategy	Monitor implementation of the Anti-Fraud and Corruption Strategy

## Programme performance indicators and targets for 2017/18

<b>Strategic Objective 1.4: Ensure a sustainable transport infrastructure network</b>							
<b>Objective Statement:</b> To develop and monitor implementation of policies aimed at ensuring construction and maintenance of transport infrastructure. Critical in the MTSF is to have the Roads Policy approved and implemented by 2019. The Policy will aim to provide a common purpose with respect to the management of roads in South Africa and also address fragmentation of the historical road management approach at various spheres of government; while aligning roads delivery with socio-economic priorities of the country.							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>1.4.4.1 White Paper on the Roads Policy submitted to Cabinet by March 2019</b>	Development of the Road Infrastructure Asset Management Policy (RIAMP)	Rehabilitation, re-sealing, patching, re-gravelling and blading of roads	Draft Road Infrastructure Policy developed	Draft Roads Transport Policy submitted to Cabinet	Submit the White Paper on the Roads Policy to FOSAD Clusters	Submit the White Paper on the Roads Policy to Cabinet	Monitor implementation of the White Paper on the Roads Policy
<b>1.4.4.2 Construction and maintenance of provincial roads monitored in line with the approved budget</b>	Construction and maintenance of national and provincial roads monitored in	Construction and maintenance of national and provincial roads monitored in line with the budget	Construction and maintenance of national and provincial roads monitored in line with the budget	Construction and maintenance of national and provincial roads monitored in line with the budget	Monitor the overall implementation of the SSP in line with the PRMG budget	Monitor the overall implementation of the SSP in line with the PRMG budget	Monitor the overall implementation of the SSP in line with the PRMG budget
<b>1.4.4.3 Access Road Development Plan submitted to Cabinet by March 2019</b>	-	-	Status quo analysis on the municipal road network conducted	Develop Draft Access Road Development Plan and conduct stakeholder consultations with identified rural municipalities	Conduct stakeholder consultations on the draft Access Road Development Plan	Submit the Access Road Development Plan to Cabinet	Monitor implementation of the Access Road Development Plan

<b>Strategic Objective 2.1 Regulate and enhance transport safety and security</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at enhancing transport safety and security. Critical within the MTSF is to have the National Road Safety Strategy approved and implemented by 2019. The Strategy will serve as a blueprint for all road safety interventions that need to be implemented to create safer roads.							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>2.1.4.1 Draft Bill for Founding Legislations of Road Entities submitted to Cabinet by March 2020</b>	-	-	-	Develop Inception Report for the review of Founding Legislations of Road Entities	Conduct the review of Founding Legislations of Road Entities	Develop Draft Bill for Founding Legislations of Road Entities	Submit Draft Bill for Founding Legislations of Road Entities to Cabinet
<b>2.1.4.2 The 2016-2030 National Road Safety Strategy submitted to Cabinet by December 2017</b>	-	-	-	Submit Road Safety Strategy to Cabinet	Submit the 2016-2030 National Road Safety Strategy to Cabinet	Monitor implementation of the 2016-2030 National Road Safety Strategy	Monitor implementation of the 2016-2030 National Road Safety Strategy
<b>2.1.4.3 Anti-Fraud and Corruption Strategy for Driving Licence Testing Centres (DLTCs), Vehicle Testing Centres (VTCs) and Registration Authorities submitted to Cabinet by March 2020</b>	-	-	-	-	Develop the draft Anti-Fraud and Corruption Strategy for Driving Licence Testing Centres (DLTCs), Vehicle Testing Centres (VTCs) and Registration Authorities	Conduct stakeholder consultations on the draft Anti-Fraud and Corruption Strategy	Submit the draft Anti-Fraud and Corruption Strategy to Cabinet

## Quarterly targets for 2017/18

<b>Strategic Objective 1.4: Ensure a sustainable transport infrastructure network</b>							
<b>Objective Statement:</b> To develop and monitor implementation of policies aimed at ensuring construction and maintenance of transport infrastructure. Critical in the MTSF is to have the Roads Policy approved and implemented by 2019. The Policy will aim to provide a common purpose with respect to the management of roads in South Africa and also address fragmentation of the historical road management approach at various spheres of government; while aligning roads delivery with socio-economic priorities of the country.							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>1.4.4.1 White Paper on the Roads Policy submitted to Cabinet by March 2019</b>	Quarterly	White Paper on Roads Policy submitted to ESEID FOSAD Cluster	<b>R 1 808</b>	Publish the draft Roads Policy for public comments through the government gazette	Conduct external stakeholder consultations on the draft Roads Policy for South Africa	Incorporate relevant inputs and prepare the draft White Paper of the Roads Policy for South Africa	Submit the Draft White Paper on the Roads Policy for South Africa to ESEID FOSAD Cluster
<b>1.4.4.2 Construction and maintenance of provincial roads monitored in line with the approved budget</b>	Quarterly	Overall implementation of the SSP monitored in line with the PRMG budget	<b>R 17 347</b>	Monitor implementation of the SSP through site inspections, bilateral consultations and compile progress report	Monitor implementation of the SSP through site inspections, bilateral consultations and compile progress report	Monitor implementation of the SSP through site inspections, bilateral consultations and compile progress report	Monitor implementation of the SSP through site inspections, bilateral consultations and compile progress report
<b>1.4.4.3 Access Road Development Plan submitted to Cabinet by March 2019</b>	Quarterly	Conduct stakeholder consultations on the draft Access Road Development Plan	Operational Budget	Conduct stakeholder consultations with provincial departments on the draft Access Road Development Plan	Conduct stakeholder consultations with key municipalities on the draft Access Road Development Plan	Conduct stakeholder consultations with sector departments on the draft Access Road Development Plan	Incorporate inputs and consolidate the draft Access Road Development Plan

<b>Strategic Objective 2.1 Regulate and enhance transport safety and security</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at enhancing transport safety and security. Critical within the MTSF is to have the National Road Safety Strategy approved and implemented by 2019. The Strategy will serve as a blueprint for all road safety interventions that need to be implemented to create safer roads.							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>2.1.4.1 Draft Bill for Founding</b>	Quarterly	Review of Founding Legislations of Road Entities	<b>Ops Budget</b>	Conduct status quo analysis of Founding	Review recommendations of	Conduct review of Founding Legislations	Conduct review of Founding Legislations

<b>Strategic Objective 2.1 Regulate and enhance transport safety and security</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at enhancing transport safety and security. Critical within the MTSF is to have the National Road Safety Strategy approved and implemented by 2019. The Strategy will serve as a blueprint for all road safety interventions that need to be implemented to create safer roads.							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>Legislations of Road Entities submitted to Cabinet by March 2020</b>		conducted		Legislations of Road Entities	the status quo analysis	of road entities based on the recommendations of the status quo analysis	of road entities based on the recommendations of the status quo analysis
<b>2.1.4.2 The 2016-2030 National Road Safety Strategy submitted to Cabinet by December 2017</b>	Quarterly	2016-2030 National Road Safety Strategy submitted to Cabinet	Ops budget	Submit the 2016-2030 National Road Safety Strategy to the DPME for SEIAS assessment	Submit the 2016-2030 National Road Safety Strategy to the ESEID Cluster	Submit the 2016-2030 National Road Safety Strategy to Cabinet	-
<b>2.1.4.3 Anti-Fraud and Corruption Strategy for Driving Licence Testing Centres (DLTCs), Vehicle Testing Centres (VTCs) and Registration Authorities submitted to Cabinet by March 2020</b>	Quarterly	Anti-Fraud and Corruption Strategy for Driving Licence Testing Centres (DLTCs), Vehicle Testing Centres (VTCs) and Registration Authorities developed	Operational Budget	Conduct consultations with three (3) provinces on provincial policies, strategies and challenges	Conduct consultations with three (3) provinces on provincial policies, strategies and challenges	Conduct consultations with three (3) provinces on provincial policies, strategies and challenges	Consolidate stakeholder inputs and finalise the draft Anti-Fraud and Corruption Strategy

# Expenditure Estimates

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
R million											
Road Regulation	1 222.0	521.9	158.0	34.6	-69.5%	2.1%	36.6	38.7	41.4	6.2%	0.1%
Road Infrastructure and Industry Development	34.0	35.8	39.1	34.9	0.8%	0.2%	37.1	39.0	41.5	5.9%	0.1%
Road Oversight	19 396.8	21 625.9	22 669.0	24 704.2	8.4%	97.6%	27 028.6	29 516.2	31 159.0	8.0%	99.6%
Road Administration Support	6.3	6.7	10.6	7.6	6.4%	-	7.9	8.3	8.8	5.0%	-
Road Engineering Standards	6.4	12.5	12.4	17.8	41.0%	0.1%	18.4	19.4	20.7	5.1%	0.1%
<b>Total</b>	<b>20 665.6</b>	<b>22 202.9</b>	<b>22 889.2</b>	<b>24 799.1</b>	<b>6.3%</b>	<b>100.0%</b>	<b>27 128.6</b>	<b>29 621.6</b>	<b>31 271.4</b>	<b>8.0%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				273.6			(277.1)	(206.1)	(227.8)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>1 269.3</b>	<b>552.4</b>	<b>217.5</b>	<b>99.2</b>	<b>-57.2%</b>	<b>2.4%</b>	<b>105.8</b>	<b>111.6</b>	<b>119.1</b>	<b>6.3%</b>	<b>0.4%</b>
Compensation of employees	34.6	40.9	45.3	54.3	16.2%	0.2%	57.9	61.4	66.0	6.8%	0.2%
Goods and services	1 234.7	511.5	172.1	45.0	-66.9%	2.2%	48.0	50.2	53.0	5.7%	0.2%
<i>of which:</i>											
<i>Administrative fees</i>	0	0	-	0	20.5%	-	0	0	0	-30.0%	-
<i>Advertising</i>	1.3	0.8	2.1	1.5	6.6%	-	1.5	1.6	1.7	2.9%	-
<i>Minor assets</i>	0	0	0	0	37.8%	-	0	0	0	-15.7%	-
<i>Catering: Departmental activities</i>	0	0	1	1	114.3%	-	1	1	1	8.6%	-
<i>Communication</i>	0.6	0.7	0.9	0.9	14.1%	-	1.1	1.2	1.2	10.5%	-
<i>Computer services</i>	2	2	2	1	-24.2%	-	1	1	1	17.7%	-
<i>Consultants: Business and advisory services</i>	1 216.0	495.2	149.9	24.0	-73.0%	2.1%	25.6	26.8	28.3	5.7%	0.1%
<i>Contractors</i>	0	0	0	0	329.1%	-	0	0	0	-51.5%	-
<i>Agency and support/outsourced services</i>	0	-	0	-	-100.0%	-	-	-	-	-	-
<i>Inventory: Clothing material and accessories</i>	-	0	0	-	-	-	-	-	-	-	-
<i>Inventory: Materials and supplies</i>	-	-	-	0	-	-	-	-	-	-100.0%	-
<i>Inventory: Other supplies</i>	-	-	-	0	-	-	-	-	-	-100.0%	-
<i>Consumable supplies</i>	0	0	0	-	-100.0%	-	0	0	0	-	-
<i>Consumables: Stationery, printing and office supplies</i>	0.4	1.6	0.9	1.3	44.3%	-	1.7	1.8	1.9	12.9%	-
<i>Operating leases</i>	0	0	0	1	24.8%	-	-	-	-	-100.0%	-
<i>Property payments</i>	-	-	-	0	-	-	0	0	0	10.0%	-
<i>Travel and subsistence</i>	7.6	9.1	12.9	11.4	14.7%	-	12.4	13.0	13.8	6.4%	-
<i>Training and development</i>	0	0	0	0	100.3%	-	0	0	0	-4.9%	-
<i>Operating payments</i>	0	0	1	1	64.0%	-	1	1	1	0.9%	-
<i>Venues and facilities</i>	6.3	0.9	1.1	1.5	-37.8%	-	1.9	1.9	2.0	10.3%	-
<b>Transfers and subsidies</b>	<b>19 395.8</b>	<b>21 624.7</b>	<b>22 667.8</b>	<b>24 699.2</b>	<b>8.4%</b>	<b>97.6%</b>	<b>27 022.0</b>	<b>29 509.3</b>	<b>31 151.6</b>	<b>8.0%</b>	<b>99.6%</b>
Provinces and municipalities	8 790.0	9 436.7	9 628.6	10 579.7	6.4%	42.4%	10 861.0	11 649.2	12 301.6	5.2%	40.2%
Departmental agencies and accounts	10 605.7	12 187.9	13 039.1	14 119.5	10.0%	55.2%	16 161.1	17 860.1	18 850.0	10.1%	59.4%
Households	0.2	0.0	0.1	-	-100.0%	-	-	-	-	-	-

Payments for capital assets	0.5	25.7	1.1	0.7	11.3%	-	0.7	0.7	0.8	5.4%	-
Machinery and equipment	0.5	25.7	1.1	0.7	11.3%	-	0.7	0.7	0.8	5.4%	-
Payments for financial assets	0.0	0.0	2.8	-	-100.0%	-	-	-	-	-	-
<b>Total</b>	<b>20 665.6</b>	<b>22 202.9</b>	<b>22 889.2</b>	<b>24 799.1</b>	<b>6.3%</b>	<b>100.0%</b>	<b>27 128.6</b>	<b>29 621.6</b>	<b>31 271.4</b>	<b>8.0%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	48.0%	45.2%	42.9%	44.1%	-	-	45.4%	45.6%	45.6%	-	-
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>3 562.2</b>	<b>4 007.1</b>	<b>4 448.2</b>	<b>4 790.1</b>	<b>10.4%</b>	<b>18.6%</b>	<b>5 048.7</b>	<b>5 354.7</b>	<b>5 667.1</b>	<b>5.8%</b>	<b>18.5%</b>
Road Traffic Management Corporation	83.5	259.5	184.1	193.9	32.4%	0.8%	198.6	215.4	227.4	5.5%	0.7%
South African National Roads Agency: Gauteng freeway improvement project	-	-	301.0	425.1	-	0.8%	463.4	505.1	550.5	9.0%	1.7%
South African National Roads Agency	3 453.7	3 736.1	3 951.6	4 161.1	6.4%	16.9%	4 369.1	4 622.5	4 881.4	5.5%	16.0%
Road Traffic Infringement Agency	25.0	11.5	11.5	10.1	-26.1%	0.1%	17.7	11.7	7.8	-8.3%	-
<b>Capital</b>	<b>7 043.5</b>	<b>8 180.8</b>	<b>8 590.9</b>	<b>9 329.4</b>	<b>9.8%</b>	<b>36.6%</b>	<b>11 112.4</b>	<b>12 505.4</b>	<b>13 182.9</b>	<b>12.2%</b>	<b>40.9%</b>
South African National Roads Agency: Non-toll network	6 448.6	7 515.3	7 721.1	7 935.6	7.2%	32.7%	9 063.7	9 884.3	10 648.2	10.3%	33.3%
South African National Roads Agency: Coal haulage road network	594.8	665.5	696.1	733.0	7.2%	3.0%	769.7	814.3	842.7	4.8%	2.8%
South African National Roads Agency: Moloto road upgrade	-	-	155.5	660.8	-	0.9%	1 279.0	1 806.8	1 692.0	36.8%	4.8%
South African National Roads Agency: Botswana river crossing	-	-	18.2	-	-	-	-	-	-	-	-
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	<b>52.2</b>	<b>75.2</b>	<b>96.8</b>	<b>101.5</b>	<b>24.8%</b>	<b>0.4%</b>	<b>107.3</b>	<b>113.5</b>	<b>119.9</b>	<b>5.7%</b>	<b>0.4%</b>
Rural roads asset management systems grant	52.2	75.2	96.8	101.5	24.8%	0.4%	107.3	113.5	119.9	5.7%	0.4%
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Capital</b>	<b>8 737.8</b>	<b>9 361.5</b>	<b>9 531.7</b>	<b>10 478.2</b>	<b>6.2%</b>	<b>42.1%</b>	<b>10 753.7</b>	<b>11 535.7</b>	<b>12 181.7</b>	<b>5.1%</b>	<b>39.8%</b>
Provincial roads maintenance grant: Roads in support of electricity generation infrastructure component	808.9	803.0	830.0	801.0	-0.3%	3.6%	482.0	-	-	-100.0%	1.1%
Provincial roads maintenance grant: Roads maintenance component	7 519.5	7 956.2	8 221.2	9 379.1	7.6%	36.5%	10 001.7	11 325.7	12 181.7	9.1%	38.0%
Provincial roads maintenance grant: Disaster relief component	409.4	602.3	480.6	298.1	-10.0%	2.0%	270.0	210.0	-	-100.0%	0.7%

## Expenditure Trends and Estimates

The spending on Road Transport programme is expected to increase from R24.8 billion in 2016/17 to R31.3 billion in 2019/20. The Provincial Roads Maintenance Grant (PRMG) aims to strengthen road asset management systems to ensure that road investments are prioritised based on the economic return. Allocations for roads in the PRMG are based on road conditions, weather patterns and traffic.

Spending of the grant is expected to increase from R10.5 billion 2016/17 to R12.2 billion in 2019/20, as a result 13 000 lane kilometres of road will be resealed and 4 800 kilometres rehabilitated.

The Cabinet approved reductions of R687.4 million over the medium term from transfers to SANRAL, as a result the Agency will have to delay upgrades and strengthening of the non-toll network over the medium term.

Over the medium term the capital budget for SANRAL increased with an amount of R4.7 billion due to the budget allocation for the upgrade of R573 Moloto Road and R 1.5 million for Gauteng Freeway Improvement.

Expenditure on consultants in the programme increased significantly between 2013/14 and 2015/16, due to the Department not having received transaction fees for the maintenance and upgrade of the Electronic National Traffic Information System (e-NATIS), which falls under the Road Regulation Subprogramme. Funding for this system is allocated once National Treasury receives proof that funds have been deposited into the National Revenue Fund. Expenditure over the medium term on this item is expected to be higher than reflected because the e-NATIS transaction fee revenue has not yet been finalised.

The programme will focus on the following projects over the medium term: white paper on road policy, develop draft access road development plan, monitor the roll out of administrative adjudication of road traffic offences amendment Act, submit the Road Accident Benefit Scheme Bill, Standardisation of Road Asset Management System and implement and monitor the road safety strategy.

The programme had an approved establishment of 88 funded posts as at September 2016.



## Programme 5: Civil Aviation

**Purpose:**The primary purpose of the programme is to facilitate the development of an economically viable air transport industry that is safe, secure, efficient, environmentally friendly and compliant with international standards through regulations and investigations; and to oversee aviation public entities.

### Programme Strategic Objectives

<b>Strategic Outcome-oriented Goal 1: Efficient and integrated infrastructure network and operations that serve as a catalyst for social and economic development</b>									
<b>Goal Statement:</b> Develop and implement policies and promulgate Acts that are set to drive investments for the maintenance and strategic expansion of the transport infrastructure network, and support the development of transport asset management systems in rural and provincial authorities. The definitive drive of these interventions is to improve the efficiency, capacity and competitiveness of transport operations in all modes.									
<b>Strategic Objective</b>	<b>Audited/Actual performance</b>			<b>Estimated performance 2016/17</b>	<b>Medium-term targets</b>				
	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>		<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>1.5 Enhance performance, efficiency and reliability of the transport sector</b>	Permission application process for ACSA concluded	Stakeholder consultations on the Airports Company Amendment Bill conducted	SEIAS Report on Airports Company Amendment Bill submitted to DPME for initial assessment	Submit the Airports Company Amendment Bill to Cabinet	Facilitate proclamation of the Airports Company Amendment Act  Develop regulations for ACSA in line with the Amendment Act.	Monitor implementation of the Airports Company Amendment Act	Monitor implementation of the Airports Company Amendment Act	Monitor implementation of the Airports Company Amendment Act	Monitor implementation of the Airports Company Amendment Act

**Strategic Outcome-oriented Goal 1: Efficient and integrated infrastructure network and operations that serve as a catalyst for social and economic development**

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Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
	Permission application process for ATNS concluded	Stakeholder consultations on ATNS Amendments Bill conducted	SEIAS Report on ATNS Amendment Bill submitted to DPME for initial assessment	Submit ATNS Amendment Bill to Cabinet	Facilitate proclamation ATNS Amendment Act  Develop regulations for ATNS in line with the Amendment Act.	Monitor implementation of ATNS Amendment Act	Monitor implementation of ATNS Amendment Act	Monitor implementation of ATNS Amendment Act	Monitor implementation of ATNS Amendment Act
	-	-	-	Develop Draft Bills for the Air Services Licencing Act and the International Air Services Act	Submit draft Air Services Licencing and International Air Services Amendment Bill to DPME for SEIAS assessment	Submit Air Services Licencing and International Air Services Amendment Bill to Cabinet	Submit Air Services Licencing and International Air Services Amendment Bill to Parliament	Monitor implementation of the Air Services Licencing and International Air Services Amendment Act	Monitor implementation of the Air Services Licencing and International Air Services Amendment Act

<b>Strategic Goal 2: A transport sector that is safe and secure</b>									
<b>Goal Statement:</b> Develop and implement policies and strategies that seek to reduce accidents and incidents in the road, rail, aviation and maritime environment.									
<b>Strategic Objective</b>	<b>Audited/Actual performance</b>			<b>Estimated performance 2016/17</b>	<b>Medium-term targets</b>				
	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>		<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>2.1 Regulate and enhance transport safety and security</b>	Finalisation of inputs for amendment to the Act reviewed	Draft Bill work-shopped and public comments incorporated	Draft Civil Aviation Amendment Bill submitted to EXCO for approval	The Civil Aviation Amendment Bill submitted to NEDLAC -	Submit the Civil Aviation Amendment Bill to Cabinet	Facilitate proclamation of the Civil Aviation Amendment Act	Develop Regulations in line with the Civil Aviation Amendment Act	Monitor implementation of the Civil Aviation Amendment Act	Monitor implementation of the Civil Aviation Amendment Act

<b>Strategic Outcome-oriented Goal 5 : Increased contribution to job creation</b>									
<b>Goal Statement:</b> To develop and implement the NATS that will contribute towards transforming the civil aviation industry and contribute to job creation opportunities									
<b>Strategic Objective</b>	<b>Audited/Actual performance</b>			<b>Estimated performance 2016/17</b>	<b>Medium-term targets</b>				
	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>		<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>5.3 Contribute to job creation in the transport sector</b>	-	-	-	Review the National Aviation Transformation Strategy (NATS)	Submit the draft National Aviation Transformation Strategy to Cabinet	Monitor implementation of the National Aviation Transformation Strategy	Monitor implementation of the National Aviation Transformation Strategy	Monitor implementation of the National Aviation Transformation Strategy	Monitor implementation of the National Aviation Transformation Strategy

## Programme performance indicators and targets for 2017/18

<b>Strategic Objective 1.5: Enhance performance, efficiency and reliability of the transport sector</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at improving transport operations. Critical during the current MTSF is to ensure approval and implementation of the Airports Company and ATNS Amendment Acts by 2019.							
<b>Programme performance indicator</b>	<b>Audited/Actual performance</b>			<b>Estimated performance 2016/17</b>	<b>Medium-term targets</b>		
	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>		<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
<b>1.5.5.1 Regulations for the Airports Company Amendment Act developed by March 2018</b>	Permission application process for ACSA concluded	Stakeholder consultations on the Airports Company Amendments Bill conducted	SEIAS Report on Airports Company Amendment Bill submitted to DPME for initial assessment	Submit the Airports Company Amendment Bill to Cabinet	Facilitate proclamation of the Airports Company Amendment Act  Develop regulations for ACSA in line with the Amendment Act.	Monitor implementation of the Airports Company Amendment Act	Monitor implementation of the Airports Company Amendment Act
<b>1.5.5.2 Regulations for the ATNS Amendment Act developed by March 2018</b>	Permission application process for ATNS concluded	Stakeholder consultations on ATNS Amendments Bill conducted	SEIAS Report on ATNS Amendment Bill submitted to DPME for initial assessment	Submit ATNS Amendment Bill to Cabinet	Facilitate proclamation ATNS Amendment Act  Develop regulations for ATNS in line with the Amendment Act.	Monitor implementation of ATNS Amendment Act	Monitor implementation of ATNS Amendment Act
<b>1.5.5.3 Air Services Licencing and the International Air Services Amendment Bill submitted to Cabinet by March 2019</b>	-	-	-	Develop Draft Bills for the Air Services Licencing Act and the International Air Services Act	Submit draft Air Services Licencing and International Air Services Amendment Bill to DPME for SEIAS assessment	Submit Air Services Licencing and International Air Services Amendment Bill to Cabinet	Submit Air Services Licencing and International Air Services Amendment Bill to Parliament

<b>Strategic Objective 2.1: Regulate and enhance transport safety and security</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at enhancing transport safety and security in line with international standards. Critical within the MTSF is to have the Civil Aviation Amendment Act proclaimed and implemented by 2019.							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>2.1.5.1 Civil Aviation Amendment Bill submitted to Cabinet by March 2018</b>	Finalisation of inputs for amendment to the Act reviewed	Draft Bill workshopped and public comments incorporated	Draft Civil Aviation Amendment Bill submitted to EXCO for approval	The Civil Aviation Amendment Bill submitted to NEDLAC	Submit the Civil Aviation Amendment Bill to Cabinet	Facilitate proclamation of the Civil Aviation Amendment Act	Develop Regulations in line with the Civil Aviation Amendment Act

<b>Strategic Objective 5.3: Contribute to job creation in the transport sector</b>							
<b>Objective Statement:</b> To develop and implement interventions that are aimed at creating job creation and also an conducive environment for employment opportunities within the sector. Critical during the current MTSF is to ensure the review and implementation of the National Aviation Transformation Strategy.							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>5.3.5.1 National Aviation Transformation Strategy (NATS) submitted to Cabinet by March 2018</b>	-	-	-	Review the National Aviation Transformation Strategy (NATS)	Submit the draft National Aviation Transformation Strategy to Cabinet	Monitor implementation of the National Aviation Transformation Strategy	Monitor implementation of the National Aviation Transformation Strategy

## Quarterly targets for 2017/18

<b>Strategic Objective 1.5: Enhance performance, efficiency and reliability of the transport sector</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at improving transport operations. Critical during the current MTSF is to ensure approval and implementation of the Airports Company and ATNS Amendment Acts by 2019.							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>1.5.5.1 Regulations for the Airports Company Amendment Act developed by March 2018</b>	Quarterly	Draft regulations for the Airports Company Amendment Act developed	Operational Budget	-	Develop inception report for the development of regulations	Conduct stakeholder consultations on the development of draft regulations	Develop draft regulations for the Airports Company Amendment Act
<b>1.5.5.2 Regulations for the ATNS Amendment Act developed by March 2018</b>	Quarterly	Draft regulations for the ATNS Amendment Act developed	Operational Budget	-	Develop inception report for the development of regulations	Conduct stakeholder consultations on the development of draft regulations	Develop draft regulations for the ATNS Amendment Act
<b>1.5.5.3 Air Services Licencing and the International Air Services Amendment Bill submitted to Cabinet by March 2019</b>	Quarterly	Draft Air Services Licencing and the International Air Services Amendment Bill submitted to DPME for SEIAS assessment	Operational Budget	Publish the Air Services Licencing and the International Air Services Amendment Bill in the Government Gazette for public comments	Conduct stakeholder assessment on the draft Air Services Licencing and the International Air Services Amendment Bill	Submit the draft Air Services Licencing and the International Air Services Amendment Bill to the DoT EXCO for internal quality assessment	Submit the draft Air Services Licencing and the International Air Services Amendment Bill to DPME for SEIAS assessment

<b>Strategic Objective 2.1: Regulate and enhance transport safety and security</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at enhancing transport safety and security in line with international standards. Critical within the MTSF is to have the Civil Aviation Amendment Act proclaimed and implemented by 2019.							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>2.1.5.1 Civil Aviation Amendment Bill submitted to Cabinet by March 2018</b>	Quarterly	Civil Aviation Amendment Bill submitted to Cabinet	Operational Budget	-	Submit the Civil Aviation Amendment Bill to DPME for final SEIAS assessment.	Submit the Civil Aviation Amendment Bill to the ESEID Cluster	Submit Civil Aviation Amendment Bill to Cabinet

<b>Strategic Objective 5.3: Contribute to job creation in the transport sector</b>							
<b>Objective Statement:</b> To develop and implement interventions that are aimed at creating job creation and also an conducive environment for employment opportunities within the sector. Critical during the current MTSF is to ensure the review and implementation of the National Aviation Transformation Strategy.							
Performance indicator	Performance indicator	Annual Target 2017/18	Allocated budget	Performance indicator			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>5.3.5.1 National Aviation Transformation Strategy (NATS) submitted to Cabinet by March 2018</b>	Quarterly	National Aviation Transformation Strategy submitted to Cabinet	R 480	Incorporate inputs and finalise the National Aviation Transformation Strategy (NATS)	Submit the final draft National Aviation Transformation Strategy (NATS) to EXCO for approval	Submit the final draft National Aviation Transformation Strategy (NATS) to FOSAD ESEID Cluster	Submit the National Aviation Transformation Strategy (NATS) to Cabinet

## Expenditure Estimates

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)			
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18			2018/19	2019/20	2016/17 - 2019/20
	R million													
Aviation Policy and Regulations	27.4	26.1	26.6	23.7	-4.7%	14.7%	25.1	26.6	28.4	6.2%	13.1%			
Aviation Economic Analysis and Industry Development	8.5	9.0	9.8	11.3	10.0%	5.5%	11.4	12.0	12.9	4.5%	6.0%			
Aviation Safety, Security, Environment and Search and Rescue	61.8	64.7	57.7	169.3	39.9%	49.9%	71.5	74.9	79.3	-22.3%	49.9%			
Aviation Oversight	35.1	37.8	40.6	43.9	7.8%	22.2%	56.9	59.8	62.9	12.8%	28.3%			
Aviation Administration Support	7.7	23.4	6.4	5.0	-13.0%	6.0%	5.1	5.3	5.7	4.4%	2.7%			
Mthatha Airport	8.2	-	4.1	-	-100.0%	1.7%	-	-	-	-	-			
<b>Total</b>	<b>148.6</b>	<b>161.0</b>	<b>145.3</b>	<b>253.2</b>	<b>19.4%</b>	<b>100.0%</b>	<b>169.9</b>	<b>178.7</b>	<b>189.2</b>	<b>-9.3%</b>	<b>100.0%</b>			
Change to 2016 Budget estimate				-			10.5	10.9	11.1					
<b>Economic classification</b>														
<b>Current payments</b>	<b>105.8</b>	<b>123.5</b>	<b>105.3</b>	<b>212.1</b>	<b>26.1%</b>	<b>77.2%</b>	<b>115.7</b>	<b>121.7</b>	<b>129.4</b>	<b>-15.2%</b>	<b>73.2%</b>			
Compensation of employees	31.3	32.4	35.7	39.4	8.0%	19.6%	40.4	42.8	46.1	5.4%	21.3%			
Goods and services	74.5	91.1	69.6	172.8	32.4%	57.6%	75.3	78.9	83.3	-21.6%	51.9%			
<i>of which:</i>														
<i>Administrative fees</i>	-	0	0	-	-	-	-	-	-	-	-			
<i>Advertising</i>	1	1	1	0	-54.5%	0.4%	0	0	0	11.5%	-			
<i>Minor assets</i>	0	0	0	0	-30.7%	0.1%	0	0	0	-7.0%	-			
<i>Audit costs: External</i>	-	-	-	-	-	-	0	0	0	-	-			
<i>Catering: Departmental activities</i>	0	0	0	0	-4.1%	0.1%	0	0	0	10.0%	0.1%			
<i>Communication</i>	53.1	53.0	44.8	156.1	43.3%	43.3%	58.1	60.8	64.2	-25.6%	42.9%			
<i>Computer services</i>	0	0	0	-	-100.0%	-	-	-	-	-	-			
<i>Consultants: Business and advisory services</i>	3.8	5.4	10.7	6.9	22.5%	3.8%	7.3	7.7	8.1	5.3%	3.8%			
<i>Legal services</i>	-	-	0	-	-	-	-	-	-	-	-			
<i>Contractors</i>	1	0	1	0	-30.7%	0.2%	0	0	0	13.2%	0.1%			
<i>Consumable supplies</i>	0	0	0	0	-58.3%	-	0	0	0	173.7%	-			
<i>Consumables: Stationery, printing and office supplies</i>	0.4	0.3	0.4	0.6	11.1%	0.3%	1.0	1.0	1.1	20.5%	0.5%			
<i>Operating leases</i>	1	2	1	0	-35.4%	0.6%	0	0	0	-30.3%	0.1%			
<i>Transport provided: Departmental activity</i>	-	1	0	-	-	0.2%	-	-	-	-	-			
<i>Travel and subsistence</i>	7.2	8.6	8.9	7.5	1.3%	4.6%	7.2	7.6	8.0	2.2%	3.8%			
<i>Training and development</i>	0.1	0.0	0.1	0.5	48.9%	0.1%	0.4	0.4	0.4	-4.9%	0.2%			
<i>Operating payments</i>	0.1	18.6	0.3	0.2	39.1%	2.7%	0.4	0.4	0.4	31.1%	0.2%			
<i>Venues and facilities</i>	6	1	1	0	-75.4%	1.2%	0	0	0	25.3%	0.1%			
<b>Transfers and subsidies</b>	<b>33.9</b>	<b>36.6</b>	<b>39.2</b>	<b>40.7</b>	<b>6.3%</b>	<b>21.2%</b>	<b>53.7</b>	<b>56.5</b>	<b>59.3</b>	<b>13.4%</b>	<b>26.6%</b>			
Departmental agencies and accounts	24.7	26.1	27.3	28.8	5.3%	15.1%	35.2	37.2	39.3	11.0%	17.8%			
Foreign governments and international organisations	7.7	8.0	9.3	9.4	7.0%	4.9%	15.9	16.4	17.0	21.9%	7.4%			
Non-profit institutions	1.5	2.3	2.4	2.5	18.8%	1.2%	2.7	2.8	3.0	5.5%	1.4%			



Households	0.1	0.1	0.1	-	-100.0%	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>9.0</b>	<b>0.9</b>	<b>0.8</b>	<b>0.4</b>	<b>-64.5%</b>	<b>1.6%</b>	<b>0.4</b>	<b>0.4</b>	<b>0.5</b>	<b>5.5%</b>	<b>0.2%</b>
Buildings and other fixed structures	8.2	-	-	-	-100.0%	1.2%	-	-	-	-	-
Machinery and equipment	0.8	0.9	0.8	0.4	-18.9%	0.4%	0.4	0.4	0.5	5.5%	0.2%
<b>Payments for financial assets</b>	<b>-</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>148.6</b>	<b>161.0</b>	<b>145.3</b>	<b>253.2</b>	<b>19.4%</b>	<b>100.0%</b>	<b>169.9</b>	<b>178.7</b>	<b>189.2</b>	<b>-9.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.4%</b>	<b>-</b>	<b>-</b>	<b>0.3%</b>	<b>0.3%</b>	<b>0.3%</b>	<b>-</b>	<b>-</b>
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>24.7</b>	<b>26.1</b>	<b>27.3</b>	<b>28.8</b>	<b>5.3%</b>	<b>15.1%</b>	<b>35.2</b>	<b>37.2</b>	<b>39.3</b>	<b>11.0%</b>	<b>17.8%</b>
South African Civil Aviation Authority	18.2	19.2	20.1	21.2	5.3%	11.1%	22.3	23.5	24.9	5.5%	11.6%
South African Maritime Safety Authority	6.5	6.9	7.2	7.6	5.3%	4.0%	13.0	13.7	14.5	24.0%	6.2%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>7.7</b>	<b>8.0</b>	<b>9.3</b>	<b>9.3</b>	<b>6.8%</b>	<b>4.8%</b>	<b>15.8</b>	<b>16.4</b>	<b>16.9</b>	<b>22.0%</b>	<b>7.4%</b>
African Civil Aviation Commission	3.8	3.9	4.9	4.7	7.9%	2.4%	5.0	5.3	5.6	5.5%	2.6%
International Civil Aviation Organisation	3.5	3.7	4.0	4.1	5.6%	2.2%	4.3	4.6	4.8	5.5%	2.2%
Cospas-Sarsat search and rescue satellite programme	0.4	0.4	0.4	0.5	6.0%	0.2%	0.5	0.5	0.6	5.5%	0.3%
SADC Aviation Safety Organisation	-	-	-	-	-	-	6.0	6.0	6.0	-	2.3%
<b>Non-profit institutions</b>											
<b>Current</b>	<b>1.2</b>	<b>2.0</b>	<b>2.1</b>	<b>2.2</b>	<b>21.7%</b>	<b>1.1%</b>	<b>2.3</b>	<b>2.5</b>	<b>2.6</b>	<b>5.5%</b>	<b>1.2%</b>
National Sea Rescue Institute	1.2	2.0	2.1	2.2	21.7%	1.1%	2.3	2.5	2.6	5.5%	1.2%

## Expenditure Trends and Estimates

Over the medium term the spending focus will be on improving civil aviation safety and ensuring effective air transport economic regulation and minimising the adverse effects of aviation on the environment as well as making transfers to departmental agencies and international aviation organisations. Therefore, spending in the Aviation Safety, Security, Environment, and Search and Rescue and Aviation Oversight Subprogrammes accounts for the majority of the programme budget over the medium term.

In 2016/17, the expenditure on goods and services increased with an amount of R100 million for the upgrade of search and rescue satellite tracking system project which will be transferred to the implementing entity; Air Traffic and Navigation Services (ATNS). The programme over the medium term will focus on facilitating the submission of the following to cabinet: civil aviation amendment bill, amendment of ACSA and ATNS act and submitting the National Aviation Transformation Strategy.

Expenditure in the subprogramme: Aviation Safety, Security Environment, Search and Rescue increased significantly in 2013/14 due to the shift in search and rescue function from the Maritime Transport Programme to the Civil Aviation Programme.

The programme had an approved establishment of 57 posts as at end of September 2016.

## Programme 6: Maritime Transport

**Purpose:** The programme exists to coordinate the development of a safe, reliable and economically viable maritime transport sector through the development of policies, strategies, monitoring of the implementation plan and oversight of maritime related public entities, namely the Ports Regulator (PR) and South African Maritime Safety Authority (SAMSA).

### Programme Strategic Objectives

<b>Strategic Goal 1: An efficient and integrated infrastructure network that serves as a catalyst for social and economic development</b>									
<b>Goal Statement:</b> Develop and implement policies and promulgate Acts that are set to drive investments for the maintenance and strategic expansion of the transport infrastructure network, and support the development of transport asset management systems in rural and provincial authorities. The definitive drive of these interventions is to improve the efficiency, capacity and competitiveness of transport operations in all modes.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>1.5 Enhance performance, efficiency and reliability of the transport sector</b>	Publication of Green Paper for public comments	Green Paper on the National Maritime Transport Policy developed	Internal stakeholder consultations on the Green Paper on the National Maritime Transport Policy conducted and the Policy presented to Cabinet Clusters	Submit draft Maritime Transport Policy to Cabinet	Submit draft Maritime Transport Policy to Cabinet	Integrated Maritime Transport Strategy developed	Submit the Maritime Transport Sector Development Plan to Cabinet	Monitor implementation of the Maritime Transport Policy	Monitor implementation of the Maritime Transport Policy
	-	-	-	Establish infrastructure	Conduct Progress	Monitor and conduct	Monitor and conduct	Monitor and conduct	Monitor and conduct

<b>Strategic Goal 1: An efficient and integrated infrastructure network that serves as a catalyst for social and economic development</b>									
<b>Goal Statement:</b> Develop and implement policies and promulgate Acts that are set to drive investments for the maintenance and strategic expansion of the transport infrastructure network, and support the development of transport asset management systems in rural and provincial authorities. The definitive drive of these interventions is to improve the efficiency, capacity and competitiveness of transport operations in all modes.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
				support for Operation Phakisa Ocean Economy (Marine Transport and Manufacturing Delivery Unit)	Assessment on Operation Phakisa infrastructure projects at seven (7) commercial ports	oversight on the Operation Phakisa Marine Transport and Manufacturing Delivery Unit	oversight on the Operation Phakisa Marine Transport and Manufacturing Delivery Unit	oversight on the Operation Phakisa Marine Transport and Manufacturing Delivery Unit	oversight on the Operation Phakisa Marine Transport and Manufacturing Delivery Unit

<b>Strategic Goal 2: A transport sector that is safe and secure</b>									
<b>Goal Statement:</b> Develop and implement policies and strategies that seek to reduce accidents and incidents in the road, rail, aviation and maritime environment.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>2.1 Regulate and enhance transport safety and security</b>	Ratification of international conventions	Ratification of Cape Town Agreement of 2012 on the Implementation of the Provisions of The Torremolinos Protocol of 1993	Situational analysis on Maritime Security	Amended Maritime Security Regulations Published	Submit the Merchant Shipping Bill to Cabinet	Submit the Merchant Shipping Bill to Parliament	Monitor implementation of the Merchant Shipping Bill	Monitor implementation of the Merchant Shipping Bill	Monitor implementation of the Merchant Shipping Bill

<b>Strategic Goal 2: A transport sector that is safe and secure</b>									
<b>Goal Statement:</b> Develop and implement policies and strategies that seek to reduce accidents and incidents in the road, rail, aviation and maritime environment.									
<b>Strategic Objective</b>	<b>Audited/Actual performance</b>			<b>Estimated performance 2016/17</b>	<b>Medium-term targets</b>				
	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>		<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
	-	-	-	Establish Steering Committee and facilitate approval of the host city for the 2020 World Maritime Day Parallel event	Submit the Report on 2020 World Maritime Day Project Implementation Plan to Cabinet	Implement the approved 2020 World Maritime Day Parallel event Project Implementation Plan.	Facilitate preparatory work for the hosting of the 2020 IMO World Maritime Day Parallel Event	Facilitate preparatory work for the hosting of the 2020 IMO World Maritime Day Parallel Event	Facilitate preparatory work for the hosting of the 2020 IMO World Maritime Day Parallel Event

## Programme performance indicators and targets for 2017/18

<b>Strategic Objective 1.5: Enhance performance, efficiency and reliability of the transport sector</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at improving transport operations. Critical within the current MTSF is to ensure approval and implementation of the Maritime Transport Policy by 2019.							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>1.5.6.1 Maritime Transport Policy (MTP) submitted to Cabinet by March 2018</b>	Publication of Green Paper for public comments	Green Paper on the National Maritime Transport Policy developed	Internal stakeholder consultations on the Green Paper on the National Maritime Transport Policy conducted and the Policy presented to Cabinet Clusters	Submit draft Maritime Transport Policy to Cabinet	Submit draft Maritime Transport Policy to Cabinet	Integrated Maritime Transport Strategy developed	Submit the Maritime Transport Sector Development Plan to Cabinet
<b>1.5.6.2 Operation Phakisa Marine Transport and Manufacturing Delivery Unit monitored</b>	-	-	-	Establish infrastructure support for Operation Phakisa Ocean Economy (Marine Transport and Manufacturing Delivery Unit)	Conduct Progress Assessment on Operation Phakisa infrastructure projects at seven (7) commercial ports	Monitor and conduct oversight on the Operation Phakisa Marine Transport and Manufacturing Delivery Unit	Monitor and conduct oversight on the Operation Phakisa Marine Transport and Manufacturing Delivery Unit

<b>Strategic Objective 2.1: Regulate and enhance transport safety and security</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at enhancing transport safety and security in line with international standards. Critical within the MTSF is to ensure the approval and implementation of the Merchant Shipping Bill.							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>2.1.6.1 Merchant Shipping Bill submitted to Cabinet</b>	Ratification of international conventions	Ratification of Cape Town Agreement of	Situational analysis on Maritime	Amended Maritime Security	Submit the Merchant Shipping Bill to Cabinet	Submit the Merchant Shipping Bill to Parliament	Monitor implementation of the Merchant Shipping

<b>Strategic Objective 2.1: Regulate and enhance transport safety and security</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at enhancing transport safety and security in line with international standards. Critical within the MTSF is to ensure the approval and implementation of the Merchant Shipping Bill.							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>by March 2018</b>		2012 on the Implementation of the Provisions of The Torremolinos Protocol of 1993	Security	Regulations Published			Bill
<b>2.1.6.2 IMO World Maritime Day Parallel Event hosted by 2020</b>	-	-	-	Establish Steering Committee and facilitate approval of the host city for the 2020 World Maritime Day Parallel event	Submit the Report on 2020 World Maritime Day Project Implementation Plan to Cabinet	Implement the approved 2020 World Maritime Day Parallel event Project Implementation Plan.	Facilitate preparatory work for the hosting of the 2020 IMO World Maritime Day Parallel Event

## Quarterly targets for 2017/18

<b>Strategic Objective 1.5: Enhance performance, efficiency and reliability of the transport sector</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at improving transport operations. Critical within the current MTSF is to ensure approval and implementation of the Maritime Transport Policy by 2019.							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>1.5.6.1 Maritime Transport Policy (MTP) submitted to Cabinet by March 2018</b>	Quarterly	Maritime Transport Policy submitted to Cabinet	R 494	Publish the Maritime Transport Policy in a government gazette	Submit the Maritime Transport Policy to DPME for final SEIAS assessment.	Submit the Maritime Transport Policy to FOSAD Clusters	Submit the Maritime Transport Policy to Cabinet
<b>1.5.6.2 Operation Phakisa Marine Transport and Manufacturing Delivery Unit monitored</b>	Quarterly	Progress Assessment conducted on Operation Phakisa infrastructure projects at seven (7) commercial ports	Operational Budget	Develop assessment plan for port-based infrastructure projects for seven (7) commercial ports	Conduct progress assessment of Operation Phakisa infrastructure projects at the Ports of Cape Town, Saldanha, Durban and Richards Bay	Conduct progress assessment of Operation Phakisa infrastructure projects at the Ports of East London, Port Elizabeth and Ngqura	Compile and consolidate the Annual Progress assessment Report on Operation Phakisa infrastructure projects at seven (7) commercial ports

<b>Strategic Objective 2.1: Regulate and enhance transport safety and security</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at enhancing transport safety and security in line with international standards. Critical within the MTSF is to ensure the approval and implementation of the Merchant Shipping Bill.							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>2.1.6.1 Merchant Shipping Bill submitted to Cabinet by March 2018</b>	Quarterly	Merchant Shipping Bill submitted to Cabinet	R1 103	Develop the draft Merchant Shipping Bill	Submit the Merchant Shipping Bill to DPME for final SEIAS assessment.	Submit the draft Merchant Shipping Bill to FOSAD Clusters	Submit the draft Merchant Shipping Bill to Cabinet
<b>2.1.6.2 IMO World Maritime Day Parallel Event hosted by 2020</b>	Quarterly	2020 World Maritime Day Project Implementation Plan submitted to Cabinet	Operational Budget	Develop the 2020 World Maritime Day Project Implementation	Develop technical specifications for workstreams of the	Submit technical specifications to EXCO and the	Submit the 2020 World Maritime Day Project



<b>Strategic Objective 2.1: Regulate and enhance transport safety and security</b>							
<b>Objective Statement:</b> To develop and implement interventions aimed at enhancing transport safety and security in line with international standards. Critical within the MTSF is to ensure the approval and implementation of the Merchant Shipping Bill.							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
				Plan	approved Project Implementation Plan	Minister for approval	Implementation Plan to Cabinet

# Expenditure Estimates

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average : Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average : Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
R million											
Maritime Policy Development	9.2	11.1	11.7	10.0	2.7%	9.0%	9.9	10.4	11.1	3.5%	8.2%
Maritime Infrastructure and Industry Development Implementation, Monitoring and Evaluations	5.9	6.5	6.5	12.0	26.7%	6.6%	13.4	12.7	13.5	4.0%	10.3%
Maritime Oversight	60.1	58.8	53.7	59.4	-0.4%	49.8%	59.9	62.8	66.5	3.8%	49.5%
Maritime Administration Support	23.5	18.6	67.5	34.4	13.5%	30.9%	29.3	32.8	39.4	4.6%	27.0%
	3.5	4.7	3.5	5.0	12.5%	3.6%	7.2	6.1	6.5	9.1%	5.0%
<b>Total</b>	<b>102.3</b>	<b>99.6</b>	<b>142.9</b>	<b>120.8</b>	<b>5.7%</b>	<b>100.0%</b>	<b>119.7</b>	<b>124.8</b>	<b>137.0</b>	<b>4.3%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				(0.9)			2.2	4.3	9.3		
<b>Economic classification</b>											
<b>Current payments</b>	<b>79.1</b>	<b>81.4</b>	<b>77.2</b>	<b>89.7</b>	<b>4.3%</b>	<b>70.3%</b>	<b>95.0</b>	<b>96.8</b>	<b>102.8</b>	<b>4.6%</b>	<b>76.5%</b>
Compensation of employees	16.5	19.6	20.1	23.8	12.9%	17.2%	28.4	27.1	29.1	7.0%	21.6%
Goods and services	62.5	61.8	57.0	65.9	1.8%	53.1%	66.6	69.7	73.7	3.8%	54.9%
of which:											
Administrative fees	-	-	0	-	-	-	-	-	-	-	-
Advertising	1	1	1	0	-24.8%	0.7%	0	0	0	-46.5%	0.1%
Minor assets	0	0	0	0	8.0%	0.2%	0	0	0	-59.0%	0.1%
Audit costs: External	-	-	0	0	-	-	-	-	-	-100.0%	-
Catering: Departmental activities	0	0	0	0	17.9%	0.2%	0	0	0	-27.8%	0.1%
Communication	0.3	0.3	0.3	0.4	13.3%	0.3%	0.4	0.4	0.4	1.8%	0.3%
Computer services	0	-	0	0	-	-	-	-	-	-100.0%	-
Consultants: Business and advisory services	6.9	52.2	45.6	18.6	39.3%	26.5%	19.6	20.5	21.6	5.3%	16.0%
Infrastructure and planning services	46.1	-	-	41.6	-3.4%	18.8%	41.2	43.2	45.6	3.1%	34.2%
Contractors	0	0	0	0	-4.4%	0.1%	-	-	-	-100.0%	-
Consumable supplies	0	0	0	0	-40.6%	-	0	0	0	-28.4%	-
Consumables: Stationery, printing and office supplies	1	0	0	0	-50.9%	0.3%	0	0	0	20.7%	0.1%
Operating leases	1.0	1.4	1.1	0.5	-20.0%	0.9%	1.3	1.4	1.5	41.6%	0.9%
Transport provided: Departmental activity	-	-	1	-	-	0.1%	-	-	-	-	-
Travel and subsistence	5.2	4.7	6.1	3.2	-15.1%	4.1%	3.2	3.4	3.6	3.7%	2.7%
Training and development	0	0	0	-	-100.0%	0.1%	0	0	0	-	0.1%
Operating payments	0	0	0	0	-10.3%	0.2%	0	0	0	14.1%	0.1%
Venues and facilities	0.7	0.9	0.8	0.5	-11.5%	0.6%	0.4	0.4	0.4	-7.1%	0.3%
<b>Transfers and subsidies</b>	<b>22.6</b>	<b>17.7</b>	<b>65.2</b>	<b>30.3</b>	<b>10.3%</b>	<b>29.2%</b>	<b>24.4</b>	<b>27.6</b>	<b>33.9</b>	<b>3.7%</b>	<b>23.1%</b>
Departmental agencies and accounts	22.3	16.9	27.6	28.6	8.6%	20.5%	22.5	25.6	31.8	3.6%	21.6%
Foreign governments and international organisations	0.2	0.8	37.5	1.8	94.5%	8.7%	1.9	2.0	2.1	5.5%	1.5%
Households	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>0.6</b>	<b>0.5</b>	<b>0.5</b>	<b>0.8</b>	<b>9.1%</b>	<b>0.5%</b>	<b>0.3</b>	<b>0.3</b>	<b>0.4</b>	<b>-23.3%</b>	<b>0.4%</b>

Machinery and equipment	0.6	0.5	0.5	0.8	9.1%	0.5%	0.3	0.3	0.4	-23.3%	0.4%
Payments for financial assets	-	-	0.0	-	-	-	-	-	-	-	-
<b>Total</b>	<b>102.3</b>	<b>99.6</b>	<b>142.9</b>	<b>120.8</b>	<b>5.7%</b>	<b>100.0%</b>	<b>119.7</b>	<b>124.8</b>	<b>137.0</b>	<b>4.3%</b>	<b>100.0%</b>
Proportion of total programme expenditure to vote expenditure	0.2%	0.2%	0.3%	0.2%	-	-	0.2%	0.2%	0.2%	-	-
<b>Details of transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
Departmental agencies (non-business entities) Current	22.3	16.9	27.6	28.6	8.6%	20.5%	22.5	25.6	31.8	3.6%	21.6%
South African Maritime Safety Authority	6.4	-	-	-	-100.0%	1.4%	-	-	-	-	-
Ports Regulator of South Africa	15.9	16.9	27.6	28.6	21.6%	19.1%	22.5	25.6	31.8	3.6%	21.6%
<b>Foreign governments and international organisations</b>											
Current	0.2	0.8	37.5	1.8	94.5%	8.7%	1.9	2.0	2.1	5.5%	1.5%
International Maritime Organisation	-	0.5	0.6	1.5	-	0.5%	1.5	1.6	1.7	5.5%	1.3%
Indian Ocean Memorandum of Understanding	0.2	0.3	0.3	0.3	10.0%	0.2%	0.3	0.4	0.4	5.4%	0.3%
International Oil Pollution Compensation Fund	-	-	36.6	-	-	7.9%	-	-	-	-	-

## Expenditure Trends and Estimates

The spending focus over the medium term will be on implementing the National Ports Act (2005) and reducing the levels of pollution and the number of accidents and incidents at sea. As a result, the majority of the spending will be in the Implementation, Monitoring and Evaluations Subprogramme.

The Maritime Oversight Subprogramme is responsible for transferring funds to departmental agencies such as the South African Maritime Authority and the Ports Regulator. The allocations to the Ports Regulator increased by R10 million in 2015/16 and R 10 million in 2016/17 and grew with an amount R18 million over the medium term for an independent evaluation of the regulatory asset base to improve port pricing. An amount of R 5 million has been reprioritised within goods and services for the development of Maritime policy and new funding model for the South African Maritime Authority.

The transfers to SAMSA decreased as a result of reprioritisation and a reallocation in the Department for the investigation of the feasibility study for undertaking tug boat services and developing maritime revenue sources. These transfers will cease to exist in this programme over the MTEF period and the marine rescue coordination centre will continue to be paid for in the Civil Aviation Programme.

Spending focus on consultants will be on the following projects: developing implementation plans for National Maritime Transport Policy, draft merchant shipping amendment bill, feasibility study on Tug boat, framework for economic participation in the port operations and establishing infrastructure support for Operation Phakisa Ocean Economy Projects.

The programme had an approved establishment of 31 total funded posts as at September 2016.

## Programme 7: Public Transport

**Purpose:** To ensure the provision and regulation of safe, secure, reliable, cost-effective and sustainable public transport services in South Africa through legislation, policies and strategies.

### Programme Strategic Objectives

Strategic Goal 3: Improved rural access, infrastructure and mobility									
Goal Statement: Increase mobility and access in rural space by improving transport infrastructure and implementing integrated transport services including learner transport services in district municipalities									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>3.1 Provide integrated rural transport infrastructure and services</b>	-	Integrated Public Transport Network (IPTN) plan developed in one (1) district municipality	Integrated Public Transport (IPTN) plan developed in one (1) district municipality	Develop Integrated Public Transport (IPTN) plan in one (1) district municipality  <i>Thabo Mofutsanyana District Municipalities</i>	Develop detailed Integrated Public Transport Network (IPTN) in 2 district municipalities  <i>Bojanala and OR Tambo District municipalities</i>	Develop detailed Integrated Public Transport Network (IPTN) in 2 district municipalities	Develop detailed Integrated Public Transport Network (IPTN) in 2 district municipalities	Develop detailed Integrated Public Transport Network (IPTN) in 2 district municipalities	Develop detailed Integrated Public Transport Network (IPTN) in 2 district municipalities

Strategic Goal 4: Improved public transport services									
Goal Statement: Provide integrated public transport solutions through development and implementation of legislation, policies, strategies and regulations. The definitive drive of these solutions is to ensure safe, secure, reliable, cost-effective and sustainable public transport services.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>4.1 Promote sustainable</b>	3426 vehicles scrapped	4049 vehicles scrapped	3226 vehicles scrapped,	Submit the Taxi Recapitalisation Programme Review	Monitor implementation of the new Taxi	Monitor implementation of the new Taxi	Monitor implementation of	Monitor implementation of	Monitor implementation of

<b>Strategic Goal 4: Improved public transport services</b>									
<b>Goal Statement:</b> Provide integrated public transport solutions through development and implementation of legislation, policies, strategies and regulations. The definitive drive of these solutions is to ensure safe, secure, reliable, cost-effective and sustainable public transport services.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>public transport</b>			Internal TRP Review Report finalised	Report to Cabinet	Recapitalisation Programme	Recapitalisation Programme	recommendations of the Taxi Recapitalisation Programme Review Report	recommendations of the Taxi Recapitalisation Programme Review Report	recommendations of the Taxi Recapitalisation Programme Review Report
	-	Public Transport Transformation Plan developed	Review of Road Based Subsidised Public Transport Services	Submit the Draft Integrated Public Transport Turnaround Plan to Cabinet	Develop Framework for the implementation of the Integrated Public Transport Turnaround Plan	Monitor implementation of the Integrated Public Transport Turnaround Plan	Monitor implementation of the Integrated Public Transport Turnaround Plan	Monitor implementation of the Integrated Public Transport Turnaround Plan	Monitor implementation of the Integrated Public Transport Turnaround Plan

<b>Strategic Goal 4: Improved public transport services</b>									
<b>Goal Statement:</b> Provide integrated public transport solutions through development and implementation of legislation, policies, strategies and regulations. The definitive drive of these solutions is to ensure safe, secure, reliable, cost-effective and sustainable public transport services.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>4.2 Improve public transport access and reliability</b>	<u>Rea Vaya</u> (Jhb) <u>My CiTi</u> (Cape Town) and <u>Libhongo</u> <u>Lethu</u> (Nelson Mandela Bay) Pilot phase funded and	<u>Rea Vaya</u> (Jhb), <u>My CiTi</u> (Cape Town), Go George (George) and A Re Yeng (Tshwane) funded and monitored	<u>Rea Vaya</u> Phase 1a and 1b (Jhb), <u>My CiTi</u> full Phase 1 and N2 Express(Cape Town), Go George Phase 1,2 and 3 (George)	Rea Vaya Phase 1a and 1b (Johannesburg), My CiTi full Phase 1 and N2 Express (Cape Town), Go George Phase 4 (George) and A Re Yeng Line 2a and 1a (Tshwane)	Fund and monitor implementation of IPTNs in seven (7) municipalities	Fund and monitor implementation of IPTNs in ten (10) municipalities	Fund and monitor implementation of IPTNs in twelve (12) municipalities	Fund and monitor implementation of IPTNs in thirteen (13) municipalities	Fund and monitor implementation of IPTNs in thirteen (13) municipalities

<b>Strategic Goal 4: Improved public transport services</b>									
<b>Goal Statement:</b> Provide integrated public transport solutions through development and implementation of legislation, policies, strategies and regulations. The definitive drive of these solutions is to ensure safe, secure, reliable, cost-effective and sustainable public transport services.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
	monitored								

<b>Strategic Goal 4: Improved public transport services</b>									
<b>Goal Statement:</b> Provide integrated public transport solutions through development and implementation of legislation, policies, strategies and regulations. The definitive drive of these solutions is to ensure safe, secure, reliable, cost-effective and sustainable public transport services.									
Strategic Objective	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets				
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	2020/21	2021/22
<b>4.3 Regulate public transport</b>	-	-	-	-	Develop draft Transport Appeal Tribunal (TAT) Amendment Bill	Submission the Transport Appeal Tribunal (TAT) Amendment Bill to Cabinet	Facilitate the Transport Appeal Tribunal (TAT) Amendment Bill through Parliament	Develop Regulations for the Transport Appeal Tribunal (TAT) Amendment Act	Monitor implementation of the Transport Appeal Tribunal (TAT) Amendment Act

## Programme performance indicators and targets for 2017/18

<b>Strategic Objective 3.1: Provide integrated rural transport infrastructure and services</b>							
<b>Objective Statement:</b> To develop and implement policies and strategies geared at improving provision of quality public transport infrastructure and services in rural areas. Critical within the MTSF is approval and implementation of the Rural Transport Strategy and the Learner Transport Policy by 2019.							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>3.1.7.1 Integrated Public Transport Network (IPTN) plans developed in district municipalities annually</b>	-	Integrated Public Transport Network (IPTN) plan developed in one (1) district municipality	Integrated Public Transport (IPTN) plan developed in one (1) district municipality	Develop Integrated Public Transport (IPTN) plan in one (1) district municipality	Develop detailed Integrated Public Transport Network (IPTN) in 2 district municipalities	Develop detailed Integrated Public Transport Network (IPTN) in 2 district municipalities	Develop detailed Integrated Public Transport Network (IPTN) in 2 district municipalities

<b>Strategic Objective 4.1: Promote sustainable public transport</b>							
<b>Objective Statement:</b> To facilitate and promote the provision of sustainable public transport, through the use of safe and compliant vehicles and developing empowerment systems for the sector. Critical within the current MTSF is approval and implementation of the Intergrated Public Transport Turnaround Plan and the Taxi Recapitalisation Programme							
Programme performance indicator	Audited/Actual performance			Estimated performance 2016/17	Medium-term targets		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
<b>4.1.7.1 Implementation of the new Taxi Recapitalisation Programme monitored</b>	3426 vehicles scrapped	4049 vehicles scrapped	3226 vehicles scrapped, Internal TRP Review Report finalised	Submit the Taxi Recapitalisation Programme Review Report to Cabinet	Monitor implementation of the new Taxi Recapitalisation Programme	Monitor implementation of the new Taxi Recapitalisation Programme	Monitor implementation of recommendations of the Taxi Recapitalisation Programme Review Report
<b>4.1.7.2 Implementation of the Integrated Public Transport Turnaround Plan monitored</b>	-	Public Transport Transformation Plan developed	Review of Road Based Subsidised Public Transport Services	Submit the Draft Integrated Public Transport Turnaround Plan to Cabinet	Develop Framework for the implementation of the Integrated Public Transport Turnaround Plan	Monitor implementation of the Integrated Public Transport Turnaround Plan	Monitor implementation of the Integrated Public Transport Turnaround Plan



<b>Strategic Objective 4.2: Improve public transport access and reliability</b>							
<b>Objective Statement:</b> To facilitate the development and implementation of Integrated Public Transport Networks (IPTNs) in identified municipalities by 2019.							
<b>Programme performance indicator</b>	<b>Audited/Actual performance</b>			<b>Estimated performance 2016/17</b>	<b>Medium-term targets</b>		
	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>		<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
<b>4.2.7.1 Integrated Public Transport Networks (IPTNs) funded and monitored in selected cities</b>	<u>Rea Vaya</u> (Jhb) <u>My CiTi</u> (Cape Town) and <u>Libhongo Lethu</u> (Nelson Mandela Bay) Pilot phase funded and monitored	<u>Rea Vaya</u> (Jhb), <u>My CiTi</u> (Cape Town), Go George (George) and A Re Yeng (Tshwane) funded and monitored	<u>Rea Vaya</u> Phase 1a and 1b_ (Jhb), <u>My CiTi</u> full Phase 1 and N2 Express(Cape Town), Go George Phase 1,2 and 3 (George)	Rea Vaya Phase 1a and 1b (Johannesburg), My CiTi full Phase 1 and N2 Express (Cape Town), Go George Phase 4 (George) and A Re Yeng Line 2a and 1a (Tshwane)	Fund and monitor implementation of IPTNs in seven (7) municipalities	Fund and monitor implementation of IPTNs in ten (10) municipalities	Fund and monitor implementation of IPTNs in twelve (12) municipalities

<b>Strategic Objective 4.3: Regulate Public Transport</b>							
<b>Objective Statement:</b> To transform land transport systems through development and implementation of legislation, institutional building and planning. Critical over the current MTSF is the approval and implementation of the National Land Transport Amendment Act by 2019.							
<b>Programme performance indicator</b>	<b>Audited/Actual performance</b>			<b>Estimated performance 2016/17</b>	<b>Medium-term targets</b>		
	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>		<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
<b>4.3.7.1 Transport Appeal Tribunal (TAT) Amendment Bill submitted to Cabinet by March 2019</b>	-	-	-	-	Develop draft Transport Appeal Tribunal (TAT) Amendment Bill	Submission the Transport Appeal Tribunal (TAT) Amendment Bill to Cabinet	Facilitate the Transport Appeal Tribunal (TAT) Amendment Bill through Parliament

## Quarterly targets for 2017/18

<b>Strategic Objective 3.1: Provide integrated rural transport infrastructure and services</b>							
<b>Objective Statement:</b> To develop and implement policies and strategies geared at improving provision of quality public transport infrastructure and services in rural areas. Critical within the MTSF is approval and implementation of the Rural Transport Strategy and the Learner Transport Policy by 2019.							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>3.1.7.1 Integrated Public Transport Network (IPTN) plans developed in district municipalities annually</b>	Quarterly	Detailed Network (IPTN) plans developed in two (2) district municipalities: <b><i>Bojanala and OR Tambo District Municipalities</i></b>	Operational Budget	Conduct stakeholder consultations on the development of IPTN Plans	Develop the draft concept document for detailed IPTN plans	Develop draft detailed IPTN plans for two (2) district municipalities	Finalise detailed IPTN plans in 2 District Municipalities

<b>Strategic Objective 4.1: Promote sustainable public transport</b>							
<b>Objective Statement:</b> To facilitate and promote the provision of sustainable public transport, through the use of safe and compliant vehicles and developing empowerment systems for the sector. Critical within the current MTSF is approval and implementation of the Intergrated Public Transport Turnaround Plan and the Taxi Recapitalisation Programme							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>4.1.7.1 Implementation of the revised Taxi Recapitalisation Programme monitored</b>	Quarterly	Implementation Plan of the new Taxi Recapitalisation Programme developed	Operational Budget	Develop Technical Specifications	Develop Inception Report	Draft design of the new Taxi Recapitalisation Programme	Develop Implementation Plan of the new Taxi Recapitalisation Programme
<b>4.1.7.2 Implementation of the Integrated Public Transport Turnaround Plan monitored</b>	Quarterly	Framework for the implementation of the Integrated Public Transport Turnaround Plan developed	Operational Budget	Conduct stakeholder engagement on the programme of action for the Integrated Public Transport Turnaround Plan	Analyse options for the implementation of the Integrated Public Transport Turnaround Plan	Develop a concept framework document for the Integrated Public Transport Turnaround Plan	Develop framework plan for Integrated Public Transport Turnaround Plan

<b>Strategic Objective 4.2: Improve public transport access and reliability</b>							
<b>Objective Statement:</b> Objective Statement: To facilitate the development and implementation of Integrated Public Transport Networks (IPTNs) in identified municipalities by 2019.							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>4.2.7.1 Integrated Public Transport Networks (IPTNs) funded and monitored in selected cities</b>	Quarterly	IPTN's monitored in selected cities (Ekurhuleni, Mbombela, Nelson Mandela Bay, Johannesburg, Cape Town, George and Tshwane IPTNs)	Operational Budget	Fund and monitor implementation of seven (7) IPTNs	Fund and monitor implementation of seven (7) IPTNs	Fund and monitor implementation of seven (7) IPTNs	Fund and monitor implementation of seven (7) IPTNs

<b>Strategic Objective 4.3: Regulate Public Transport</b>							
<b>Objective Statement:</b> To transform land transport systems through development and implementation of legislation, institutional building and planning. Critical over the current MTSF is the approval and implementation of the National Land Transport Amendment Act by 2019.							
Performance indicator	Reporting period	Annual target 2017/18	Allocated budget '000	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
<b>4.3.7.1 Transport Appeal Tribunal (TAT) Amendment Bill submitted to Cabinet by March 2019</b>	Quarterly	Draft Transport Appeal Tribunal (TAT) Amendment Bill developed	Operational Budget	Develop draft TAT Amendment Bill	Facilitate gazetting of the draft TAT Amendment Bill for public consultation	Conduct public consultations of the draft TAT Amendment Bill through the Gazette process	Incorporate inputs and finalise the Draft Transport Appeal Tribunal (TAT) Amendment Bill

# Expenditure Estimates

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
R million											
Public Transport Regulation	12.9	14.0	15.2	34.9	39.2%	0.2%	35.0	36.3	38.7	3.6%	0.3%
Rural and Scholar Transport	7.2	13.7	8.6	48.1	88.2%	0.2%	48.7	51.3	54.3	4.1%	0.4%
Public Transport Industry Development	111.7	118.4	123.1	173.7	15.9%	1.2%	161.3	167.9	176.5	0.5%	1.3%
Public Transport Oversight	10 350.8	11 021.2	11 160.2	11 366.7	3.2%	98.2%	12 292.8	13 007.1	13 746.4	6.5%	97.8%
Public Transport Administration Support	18.7	21.8	14.2	14.9	-7.3%	0.2%	12.8	13.4	14.2	-1.5%	0.1%
Public Transport Network Development	4.3	6.6	7.2	17.1	58.0%	0.1%	17.8	18.7	19.9	5.1%	0.1%
<b>Total</b>	<b>10 505.6</b>	<b>11 195.7</b>	<b>11 328.6</b>	<b>11 655.4</b>	<b>3.5%</b>	<b>100.0%</b>	<b>12 568.3</b>	<b>13 294.7</b>	<b>14 050.0</b>	<b>6.4%</b>	<b>100.0%</b>
Change to 2016 Budget estimate				-			(232.7)	(245.3)	(249.3)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>154.3</b>	<b>174.1</b>	<b>167.1</b>	<b>288.5</b>	<b>23.2%</b>	<b>1.8%</b>	<b>275.3</b>	<b>287.4</b>	<b>303.3</b>	<b>1.7%</b>	<b>2.2%</b>
Compensation of employees	35.5	41.3	44.4	50.2	12.2%	0.4%	52.2	54.7	58.8	5.4%	0.4%
Goods and services	118.8	132.8	122.8	238.3	26.1%	1.4%	223.1	232.7	244.5	0.9%	1.8%
<i>of which:</i>											
<i>Administrative fees</i>	-	-	0	-	-	-	-	-	-	-	-
<i>Advertising</i>	0	0	0	0	-36.5%	-	0	1	1	136.6%	-
<i>Minor assets</i>	0.3	0.1	0.1	0.0	-43.1%	-	1.2	1.2	1.3	197.8%	-
<i>Catering: Departmental activities</i>	0	0	0	-	-100.0%	-	0	0	0	-	-
<i>Communication</i>	0.5	0.5	0.6	0.3	-20.9%	-	1.2	1.2	1.3	72.6%	-
<i>Computer services</i>	0	0	0	-	-100.0%	-	-	-	-	-	-
<i>Consultants: Business and advisory services</i>	107.1	120.7	115.2	236.0	30.1%	1.3%	211.7	220.7	231.9	-0.6%	1.7%
<i>Contractors</i>	0	0	0	0	59.7%	-	-	-	-	-100.0%	-
<i>Consumable supplies</i>	0	0	0	0	-58.8%	-	0	0	0	-	-
<i>Consumables: Stationery, printing and office supplies</i>	1	0	0	0	-45.3%	-	1	1	1	47.6%	-
<i>Operating leases</i>	0	0	0	-	-100.0%	-	-	-	-	-	-
<i>Transport provided: Departmental activity</i>	-	0	-	-	-	-	-	-	-	-	-
<i>Travel and subsistence</i>	8.2	8.7	5.1	1.3	-46.0%	0.1%	5.9	6.2	6.5	71.5%	-
<i>Training and development</i>	0.0	0.0	0.1	-	-100.0%	-	1.5	1.6	1.7	-	-
<i>Operating payments</i>	0	0	0	-	-100.0%	-	0	0	0	-	-
<i>Venues and facilities</i>	1.1	1.5	0.9	0.4	-31.4%	-	0.5	0.6	0.6	19.1%	-
<b>Transfers and subsidies</b>	<b>10 350.8</b>	<b>11 021.2</b>	<b>11 160.8</b>	<b>11 366.7</b>	<b>3.2%</b>	<b>98.2%</b>	<b>12 292.8</b>	<b>13 007.1</b>	<b>13 746.4</b>	<b>6.5%</b>	<b>97.8%</b>
Provinces and municipalities	10 102.5	10 703.6	10 892.5	10 993.0	2.9%	95.5%	11 882.4	12 573.0	13 288.0	6.5%	94.5%
Non-profit institutions	17.4	17.5	19.3	20.3	5.3%	0.2%	21.3	22.5	23.8	5.5%	0.2%
Households	230.9	300.2	249.0	353.4	15.2%	2.5%	389.0	411.6	434.7	7.1%	3.1%
<b>Payments for capital assets</b>	<b>0.6</b>	<b>0.4</b>	<b>0.6</b>	<b>0.2</b>	<b>-26.7%</b>	<b>-</b>	<b>0.2</b>	<b>0.2</b>	<b>0.3</b>	<b>5.1%</b>	<b>-</b>
Machinery and equipment	0.6	0.4	0.6	0.2	-26.7%	-	0.2	0.2	0.3	5.1%	-
<b>Payments for financial assets</b>	<b>-</b>	<b>0.0</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>Total</b>	10 505.6	11 195.7	11 328.6	11 655.4	3.5%	100.0%	12 568.3	13 294.7	14 050.0	6.4%	100.0%
<b>Proportion of total programme expenditure to vote expenditure</b>	24.4%	22.8%	21.2%	20.7%	–	–	21.0%	20.5%	20.5%	–	–
<b>Details of transfers and subsidies</b>											
<b>Non-profit institutions</b>											
<b>Current</b>	17.4	17.5	19.3	20.3	5.3%	0.2%	21.3	22.5	23.8	5.5%	0.2%
South African National Taxi Council	17.4	17.5	19.3	20.3	5.3%	0.2%	21.3	22.5	23.8	5.5%	0.2%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	230.9	300.1	248.4	353.4	15.2%	2.5%	389.0	411.6	434.7	7.1%	3.1%
Taxi recapitalisation	230.9	300.1	248.4	353.4	15.2%	2.5%	389.0	411.6	434.7	7.1%	3.1%
<b>Provinces and municipalities</b>											
<b>Municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Capital</b>	5 550.0	5 870.8	5 953.1	5 592.7	0.3%	51.4%	6 159.6	6 582.7	6 962.2	7.6%	49.1%
Public transport network grant	5 550.0	5 870.8	5 953.1	5 592.7	0.3%	51.4%	6 159.6	6 582.7	6 962.2	7.6%	49.1%
<b>Provinces and municipalities</b>											
<b>Provinces</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	4 552.5	4 832.7	4 939.4	5 400.3	5.9%	44.1%	5 722.9	5 990.3	6 325.8	5.4%	45.5%
Public transport operations grant	4 552.5	4 832.7	4 939.4	5 400.3	5.9%	44.1%	5 722.9	5 990.3	6 325.8	5.4%	45.5%

## Expenditure Trends and Estimates

The programme is responsible for promoting sustainable public transport, improving public transport access and reliability and provide integrated rural transport infrastructure. The programme administer the Public Transport Network Grant (PTNG) which aims at helping cities create or improve public transport systems in line with the National Land Transport Act of 2009 and the Public Transport Strategy. This includes all integrated public transport network infrastructure such as bus rapid transit systems, conventional bus services and upgrades for pedestrian and cycling infrastructure. Since the inception of the grant, 4 of the 13 cities operate an improved public transport system. These cities include City of Johannesburg, Cape Town (My City), George and City of Tshwane. The ridership for 2019/20 in these cities is expected to be 120 000, 78 441, 30 240, and 80 000 respectively.

Cabinet approved a reduction of R622 million over the medium term on Public Transport Network Grant (PTNG). The impact of this reduction on PTNG, will result in capital programme being delayed.

Consultants in the programme are used for policy development and the verification of subsidies and payments made to bus operators funded through the Public Transport Operations Grant (PTOG). The programme will focus on the following projects over the medium term: developing detailed Integrated Public Transport Network plans in 4 district municipalities, draft regulations for the Land Transport

Amendment Act, draft Transport Appeals Tribunal Amendment Bill, implementation of recommendations of the Taxi Recapitalisation programme and submitting the Public Transport Subsidy Policy to cabinet.

The programme had an approved establishment of 66 funded posts as at September 2016.



## PART C: LINKS TO OTHER PLANS

### Links to Long-Term Infrastructure And Other Capital Plans

Project name	Programme	Municipality	Project description	Outputs	Estimated Project Cost	Expenditure to date	Project duration	
							Start	Finish
Moloto Development Corridor	3 & 4 (SIP1 and SIP7)	Nkangala District Municipality Sekhukhune District Municipality and City of Tshwane Metropolitan Municipality Thembisile Hani Local Municipality Dr J S Moroka Local Municipality	The project will consist of a rapid rail service between Mthabothini (Siyabuswa) in Mpumalanga and Tshwane, with feeder services to and from stations. There are also related road upgrades in the rural villages and along the R573 Moloto Road.	Reduced travel times; reduced peak period (from 4 hours to 2 hours); improved safety; reduction in road accidents, fatalities, injuries and damage to property; and reduction of traffic congestion in the Tshwane urban area.	R18,9 billion capital expenditure  R1,6 billion land acquisition	R11,9 million PPP TA1-  Feasibility Study	Detailed Design 2016/17  Construction 2017/18	2017/18   2022/23 (60 months)



## Conditional Grants

Name of grant	Public Transport Operations Grant (PTOG)
<b>Purpose</b>	To provide supplementary funding towards public transport services provided by provincial departments
<b>Performance indicator</b>	Number of passengers benefiting from the subsidised services provided through the PTOG
<b>Continuation</b>	The PTOG continues over the MTSF
<b>Motivation</b>	Continuation of the PTOG is necessary as it subsidises public transport services in poor communities thus making these services accessible and affordable
<b>Transfer amount</b>	R5 722 871 000

Name of grant	Public Transport Network Grant (PTNG)
<b>Purpose</b>	To provide funding for accelerated construction, improvement of public and non-motorised transport infrastructure that form part of a municipal integrated public transport network and to support the planning, regulation, control, management and operations of financially sustainable municipal public transport network services
<b>Performance indicator</b>	Number of average weekday passenger trips carried on PTN Grant funded networks
	Number and percentage of municipal households within a 500m walk to an Integrated Public Transport Network (IPTN) station or stop that has a minimum peak period frequency of 15 minutes or better
	Percentage uptime for network operating systems
	Passengers per network vehicle per average weekday
	Public transport network infrastructure including dedicated lanes, routes and stops/shelters, stations, depots, signage and information displays, control centres and related information technology, fare systems and vehicles (if DoT approves use of grant)

<b>Name of grant</b>	<b>Public Transport Network Grant (PTNG)</b>
	funds to purchase vehicles)Non-motorised transport (NMT) infrastructure that supports network integration (e.g. sidewalks, cycleways, cycle storage at stations, etc
	Plans and detailed design related to Integrated Public Transport Network(IPTN) infrastructure and operations
<b>Continuation</b>	The PTN Grant continues over the MTSF
<b>Motivation</b>	Continuation of the PTN Grant is necessary support IPTNs as envisaged in the NLTA and Public Transport Strategy of 2007, this promotes the provision of accessible, reliable and affordable integrated municipal public transport network service
<b>Transfer amount</b>	R6 159 559 000

<b>Name of grant</b>	<b>Provincial Road Maintenance Grant (PRMG)</b>
<b>Purpose</b>	To supplement provincial roads investments, maintain road asset management systems and ensure labour-intensive methods on all projects for the creation of work opportunities
<b>Performance indicator</b>	Number of kilometres/square metres of roads maintained
<b>Continuation</b>	The PRMG continues over the MTSF
<b>Motivation</b>	The PRMG serves as a mechanism to improve conditions of secondary road network and to address maintenance of road infrastructure in provinces
<b>Transfer amount</b>	R10 753 664 000

<b>Name of grant</b>	<b>Rural Road Asset Management System (RRAMS)</b>
<b>Purpose</b>	To assist rural district municipalities to set up rural RAMS and collect road and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa (RISFSA)

<b>Name of grant</b>	<b>Rural Road Asset Management System (RRAMS)</b>
<b>Performance indicator</b>	Road inventory data collected
	Road traffic data collected
<b>Continuation</b>	The RRAMS continues over the MTSF
<b>Motivation</b>	The grant will ensure improved data on municipal rural roads to guide infrastructure maintenance and investments
<b>Transfer amount</b>	R107 309 000

## Public Entities

Name of public entity	Mandate	Outputs	2017/18 Transfer ('000)	Date of next evaluation
<b>Passenger Rail Agency of South Africa (PRASA)</b>	The primary focus of the Passenger Rail Agency of South Africa (PRASA), as an arm of the National Department of Transport (the shareholder) is on the mandate as contained in the Legal Succession to the South African Transport Services ("SATS") Act, 1989 (Act No. 9 of 1989) as amended in November 2008, and listed as Schedule 3B of the PFMA	<ul style="list-style-type: none"> <li>• Deliver on the requirements of Government Transport Policy and the Legal Succession Act (operational effectiveness)</li> <li>• Implement a financial turnaround plan to ensure the building of a commercially viable and sustainable entity</li> <li>• Invest in new capacity through the acquisition of new capacity through the acquisition of new, modern trains, signalling and operating systems to address service imbalances inherited from the past</li> </ul>	R19 216 418	
<b>Rail Safety Regulator (RSR)</b>	<p>Established in terms of the National Railway Safety Regulator Act, 2002 (Act No. 16 of 2002) (as amended), and listed as Schedule 3B of the PFMA</p> <p>The mandate of the RSR is to oversee and promote safe railway operations through appropriate support, monitoring and enforcement, guided by an enabling regulatory framework, including regulations</p>	<ul style="list-style-type: none"> <li>• A conducive regulatory environment</li> <li>• Improved levels of safety and security in the railway industry</li> <li>• Sustainable institutional effectiveness</li> <li>• Improved levels of safety and security in the railway industry</li> </ul>	R59 564	
<b>Road Traffic Management Corporation (RTMC)</b>	The Road Traffic Management Corporation Act, 1999 (Act No. 20 of 1999) was approved by Parliament in 1999. The Act is aimed at establishing the corporation to pool powers and resources and to eliminate the fragmentation of responsibilities for all aspects of road traffic	<ul style="list-style-type: none"> <li>• Harmonised law enforcement strategies and systematic law enforcement across the three tiers of government</li> </ul>	R198 555	

Name of public entity	Mandate	Outputs	2017/18 Transfer ('000)	Date of next evaluation
	management across the various levels of government. More so to oversee coordination of traffic law enforcement and the implementation of road safety interventions			
<b>Road Traffic Infringement Agency (RTIA)</b>	To promote road traffic quality by providing for a scheme to discourage road traffic contraventions, to facilitate the adjudication of traffic infringements, to support the prosecution of offences in terms of the national and provincial laws relating to road traffic, and implement a point demerit system	<ul style="list-style-type: none"> <li>• Amended AARTO Act and Regulations</li> <li>• Increased Agency revenue share of outstanding infringement penalties</li> <li>• Five communication programmes for various road users implemented</li> <li>• Reduced backlogs within 60 days of adjudication</li> </ul>	R17 696	
<b>Road Accident Fund (RAF)</b>	The Road Accident Fund Act, 1996 (Act No. 56 of 1996) (the RAF Act) provides for the establishment of the RAF whose legal mandate is to compensate users of South African roads for loss or damage caused by the negligent driving of motor vehicles within the borders of the Republic	<ul style="list-style-type: none"> <li>• Legislative enablement Change fundamentals business model through changes in legislation</li> <li>• Operational efficiency and effectiveness Change operational model in line with changes in the business model of the RAF</li> <li>• Financial sustainability Credible plan to eradicate deficit</li> </ul>	No transfer from the DoT  RAF funded through the fuel levy	
<b>South African National Roads Agency Limited (SANRAL)</b>	To maintain, upgrade, manage, administer and finance the national road network	<ul style="list-style-type: none"> <li>• Maintain roads on a routine basis</li> <li>• Carry out periodic and special maintenance of road infrastructure</li> <li>• Develop new facilities and strengthen road networks</li> </ul>	R15 944 823	
<b>Cross-Border Road Transport Agency (C-BRTA)</b>	The strategic intent of the C-BRTA is clearly stipulated in the Cross-Border Road Transport Agency Act, 1998 (Act No. 4 of 1998) as amended, and listed as Schedule 3B of the PFMA	<ul style="list-style-type: none"> <li>• Market access regulated, i.e. permits issued</li> <li>• SMMEs in the cross-border market</li> <li>• Operator compliance improved as reflected by the decrease in prosecutions and increased visibility</li> <li>• Strategic reports released (advisory)</li> <li>• SADC standards and procedures harmonised as a</li> </ul>	No transfer from the DoT  C-BRTA collect permit fees from operators	

Name of public entity	Mandate	Outputs	2017/18 Transfer ('000)	Date of next evaluation
	<p>The mandate of the C-BRTA is to regulate access to the market by the road transport freight and passenger industry in respect of cross-border road transport by issuing of permits, and to facilitate the unimpeded flow of passenger and freight movements by road across the borders of South Africa to contribute to the social and economic development initiatives as announced by Government</p> <p>The C-BRTA promotes regional integration through progressive market freight liberalisation; the establishment of cooperative and consultative relationships and structures; improving safety, security, reliability, quality of cross-border road transport; ensuring informed decision-making and policy development and enhancing the capacity of the public sector in its strategic planning and monitoring functions</p>	<p>result of consultations</p> <ul style="list-style-type: none"> <li>• Participation in collaborative border management operations increased resulting in regional integration, economic integration and increased trade.</li> </ul>		
<p><b>South African Civil Aviation Authority (SACAA)</b></p>	<p>The SACAA was established in 1998 following the enactment of the South African Civil Aviation Authority Act, 1998 (Act No. 40 of 1998), and listed as Schedule 3B of the PFMA. The Act has since 2009 been replaced by the Civil Aviation Act, 2009 (Act 13 of 2009)</p> <p>The Act provided for the establishment of a civil aviation authority charged with promoting, regulating and enforcing civil aviation safety and security standards throughout the aviation industry</p>	<ul style="list-style-type: none"> <li>• Contribute to the development of an Airfreight Strategy</li> <li>• Contribute to the development of a National Airports Development Plan</li> <li>• Contribute to continental and regional aviation development</li> <li>• Regulate, promote and oversee civil aviation safety and security</li> <li>• Equitably and successfully implement BBBEE plan</li> <li>• Implement employment equity targets</li> <li>• Minimise aviation emissions</li> </ul>	<p>R22 251</p>	

Name of public entity	Mandate	Outputs	2017/18 Transfer ('000)	Date of next evaluation
		<ul style="list-style-type: none"> <li>• Optimise revenue streams and management systems</li> <li>• Embed principles of corporate governance in the work of every SACAA team member and service</li> <li>• Build a resilient organisation with adequate capacity, capabilities and a high performance culture</li> </ul>		
<b>Air Traffic and Navigation Services (ATNS)</b>	<p>ATNS was established by the Air Traffic and Navigation Services Company Act, 1993 (Act No. 45 of 1993), and listed in Schedule 2 of the PFMA</p> <p>Section 4 of the ATNS Company Act mandates ATNS to provide safe, efficient and cost-effective air traffic management solutions and associated services on behalf of the State in accordance with International Civil Aviation (ICAO) standards and recommended practices, as well as the South African Civil Aviation Regulations and Technical Standards</p>	<ul style="list-style-type: none"> <li>• Deliver continuous improvement of our safety performance</li> <li>• Become a transformative organisation that invests in its people</li> <li>• Provide efficient air traffic management solutions and associated services which meet the needs and expectations of the ATM community</li> <li>• Maintain long-term financial sustainability</li> <li>• Play a leading role in the development of air traffic management in Africa and selected international markets</li> <li>• Deploy and use leading technologies to the benefit of the ATM community</li> </ul>	No Transfer from the DoT	
<b>Airports Company South Africa (ACSA)</b>	<p>ACSA was established by the Airports Company Act of 1993 as a public company under the Companies Act of 1973, as amended, and listed as a major public entity in terms of Schedule 2 of the PFMA</p>	<ul style="list-style-type: none"> <li>• Develop a platform to enable the further creation of value for ACSA and its stakeholders</li> <li>• Develop and implement detailed project plans for identified affirmative action measures</li> <li>• Incorporate the overall needs and benefits of stakeholders</li> <li>• Improve operational efficiencies to meet best practice for both users and ACSA</li> <li>• Consider the impact of the regulated base</li> <li>• Manage the financial position and credit metrics</li> </ul>	No transfer from the DoT	

Name of public entity	Mandate	Outputs	2017/18 Transfer ('000)	Date of next evaluation
<b>South African Maritime Safety Authority (SAMSA)</b>	<p>The South Africa Maritime Safety Authority (SAMSA) is established in terms of the SAMSA Act, 1998 (Act No. 5 of 1998), a Schedule 3A public entity in terms of the PFMA. Its mandate is derived from the SAMSA Act, 1998, as well as international maritime conventions to which South Africa is a signatory</p> <p>The objectives of the Authority are:</p> <p>a) To ensure safety of life and property at sea  b) To prevent and combat pollution of the marine environment by ships  c) To promote the Republic's maritime interests</p>	<ul style="list-style-type: none"> <li>• Improve service delivery, strengthen corporate performance and governance and combat corruption</li> <li>• Ensure service excellence in maritime safety, security, health and environmental sustainability</li> <li>• Promote the development of South Africa's maritime economy, maritime skills and social transformation</li> <li>• Advance and protect South Africa's regional and international maritime interests</li> <li>• Facilitate maritime stakeholder engagement and leverage strategic partnerships</li> </ul>	<p>No transfer from the DoT for MTEF period. Funds transferred to SAMSA: MRCC R12 965</p>	
<b>Ports Regulator (PR) of South Africa</b>	<p>The Ports Regulator is a public entity established in terms of section 29 of the National Ports Act, 2005 (Act No. 12 of 2005)</p> <p>The role of the PR is to regulate the activities of the ports industry in accordance with the policy and legislative mandate of the state</p>	<ul style="list-style-type: none"> <li>• Consideration of user and other stakeholder needs and views</li> <li>• Participants in the market should be treated equally and fairly</li> <li>• Regulation should be kept to a minimum, without compromising national aspirations, health, security, efficiency and environmental sustainability</li> <li>• The principle of use pay or cost recovery, benchmarked against international best practice to ensure that the costs are globally competitive</li> </ul>	<p>R22 489</p>	



## Public-Private Partnerships

Name of PPP	Purpose	Outputs	Current Value of Agreement (R '000)	Date when agreement expires
Moloto Development Corridor	To provide a transport solution to the problems being experienced by commuters along the Moloto Corridor	Reduced travel times; reduced peak period (from 4 hours to 2 hours); improved safety; reduction in road accidents, fatalities, injuries and damage to property; and reduction of traffic congestion in the Tshwane urban area.	Registered PPP – currently in TA1 phase	N/A

## Annexure A: Glossary of Frequently Used Acronyms by the DoT

### A

AARTO	Administrative Adjudication of Road Traffic Offences Act
AASA	Airlines Association of South Africa
ABS	Anti-lock Braking System
ACSA	Airports Company of South Africa
AFCAC	African Civil Aviation Commission
AFI	African Indian Ocean
AG	Auditor-General
AGM	Annual General Meeting
AISC	International Air Services Council
AMO	Approved Maintenance Organisations
AO	Accounting Officer
APP	Annual Performance Plan
ARDP	Access Road Development Plan
ASLC	Air Services Licensing Council
ATM	Air Traffic Management
ATNS	Air Traffic and Navigation Services
AU	African Union
AVSEC	Aviation Security

## **B**

BAS	Basic Accounting System
BARSA	Board of Airline Representatives of south Africa
B-BBEE	Broad-Based Black Economic Empowerment
BEE	Black Economic Empowerment
BRT	Bus Rapid Transit System

## **C**

CAASA	Commercial Airlines Association of Southern Africa
CARCOM	Civil Aviation Regulation Committee
CAUAMC	Civil Aviation Upper Airspace Management Centre
C-BRTA	Cross-Border Road Transport Agency
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CI	Corporate Identity
CIO	Chief Information Officer
CLC	Civil Liability Convention
COLTO	Committee of Land Transport Officials
COO	Chief Operations Officer
COP17	17th Conference of Parties to the United Nations Framework

	Convention on Climate Change (UNFCCC)
COTO	Committee of Transport Officials
CSIR	Council for Scientific and Industrial Research
CSSS	Comprehensive Social Security System
CNG	Compressed Natural Gas

## **D**

DBSA	Development Bank of Southern Africa
DEA	Department of Environmental Affairs
DG	Director-General
DLCA	Driver's Licence Card Account
DLCPF	Driver's Licence Card Production Facility
DLTC	Driving Licence Testing Centre
DM	District Municipality
DPSA	Department of Public Service and Administration
DORA	Division of Revenue Act
DoT	Department of Transport
DPME	Department of Monitoring and Evaluation

## **E**

EC	Eastern Cape
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e-NATIS	Electronic National Administration Traffic Information System
EPM	Enterprise Portfolio Management
EPMS	Electronic Performance Management System
EPWP	Expanded Public Works Programme
ESB	Enterprise Service Bus
ETV	Emergency Towing Vehicle
EXCO	Executive Committee

## **F**

FIFA	Federation Internationale de Football Association
FS	Free State

## **G**

GDYC	Gender, Disability, Youth and Children
GFIP	Gauteng Freeway Improvement Project
GHG	Greenhouse Gases
GP	Gauteng Province
GTS	Greenhouse Transport Strategy

## **H**

HOD	Head of Department
HRD	Human Resources Development
HR	Human Resources

## I

IAAIIB	Independent Aircraft Accident and Incident Investigation Body
ICAD	International Civil Aviation Day
ICAO	International Civil Aviation Organization
ICT	Information and Communication Technology
IDP	Integrated Development Plan
IFMS	Integrated Financial Management System
ILO	International Labour Organisation
IMO	International Maritime Organisation
IOPC	International Oil Pollution Compensation
IPAP II	Industrial Policy Action Plan
IPTNs	Integrated Public Transport Networks
IR	International Relations
IRERC	Interim Economic Rail Economic Regulator Capacity
IRPTNs	Integrated Rapid Public Transport Networks
ISPS	International Ship and Port Security
IT HUB	Information Technology HUB
IT	Information Technology
ITP	Integrated Transport Planning

## **K**

KSD IRTP King Sabatha Dalindyebo Integrated Rural Transport Plan  
KZN KwaZulu-Natal

## **L**

LCU Live Capture Unit  
LoS Level of Service  
LP Limpopo Province  
LPG Liquefied Petroleum Gas  
LRIT Long Range Identification and Tracking

## **M**

M&E Monitoring and Evaluation  
MARPOL International Convention for the Prevention of Pollution from Ships  
MBMs Market Based Measures  
MEC Member of the Executive Council  
MEOSAR Medium Orbit Search and Rescue  
MEPC Marine Environment Protection Committee  
MINMEC Ministers and Members of Executive Council

MoU	Memorandum of Understanding
MP	Member of Parliament
MRCC	Maritime Rescue Coordination Centre
MRO	Maintenance, Repairs and Overhaul
MSAC	Marine Safety Advisory Council
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework

## **N**

NADP	National Airports Development Plan
NAMAs	Nationally Appropriate Mitigation Actions
NASP	National Security Programme
NATFC	National Air Transport Facilitation Committee
NATMAP	National Transport Master Plan
NATS	National Aviation Transformation Strategy
NCCRS	National Climate Change Response Strategy
NDP	National Development Plan
NDoT	National Department of Transport
NC	Northern Cape
NEDLAC	National Economic Development Labour Council
NEPAD	New Partnership for African Development
NGP	New Growth Path Framework



NHTS	National Household Travel Survey
NLTA	National Land Transport Act
NLTIS	National Land Transport Information System
NLTIS	National Land Transport System
NMT	Non-motorised Transport
NPTR	National Public Transport Regulatory Entity
NREP	National Rolling Enforcement Plan
NRSS	National Road Safety Strategy
NTIP	National Traffic Intervention Police Unit
NTVs	New Taxi Vehicles

## O

ODG	Office of the Director-General
OL	Operating Licence
OTV	Old Taxi Vehicle

## P

PCCs	Ports Coordinating Committee
PDIs	Previously Disadvantaged Individuals
PEPFRA	Ports Economic Participation Framework
PFMA	Public Finance Management Act (Act No. 01 of 1999)

PFU	Project Finance Unit
PIDA	Programme for Infrastructure Development
PLTF	Provincial Land Transport Framework
PMU	Project Management Unit
POA	Programme of Action
PPP	Public-Private Partnership
PRASA	Passenger Rail Agency of South Africa
PRE	Provincial Regulatory Entity
PRMG	Provincial Road Maintenance Grant
PRSA	Ports Regulator of South Africa
PTIS	Public Transport Infrastructure and Systems
PTOG	Public Transport Operations Grant
PTS	Public Transport Strategy

## **R**

RABS	Road Accident Benefit Scheme
RAF	Road Accident Fund
RER	Rail Economic Regulator
RFP	Request for Proposals
RIFSA	Road Infrastructure Strategic Framework for South Africa
RISFSA	Road Infrastructure Strategic Framework for South Africa
RMC	Risk Management Committee

ROI	Return on Investment
RSR	Railway Safety Regulator
RTIA	Road Traffic Infringement Agency
RTMC	Road Traffic Management Corporation
RTSSA	Rural Transport Strategy for South Africa

## **S**

SABOA	Southern African Bus Operators Association
SA	South Africa
SABS	South African Bureau of Standards
SACAA	South African Civil Aviation Authority
SACU	South African Customs Union
SADC	Southern African Development Community
SAMSA	South African Maritime Safety Authority
SANRAL	South African National Roads Agency Limited
SANTACO	South African National Taxi Council
SAPS	South African Police Services
SAR	Search and Rescue
SARPs	Standards and Recommended Practices
SATS	South African Transport Services
SBO	Small Bus Operators
SCM	Supply Chain Management

SEIAS	Socio-Economic Impact Assessment System
SG	Strategic Goal
SITA	State Information Technology Agency
SIU	Special Investigations Unit
SLA	Service Level Agreement
SOEs	State Owned Entities
SO	Strategic Objective
SSP	S'hamba Sonke Programme
STER	Single Transport Economic Regulator
STWC	Standards of Training Certification and Watch Keeping

## **T**

TETA	Transport Education and Training Authority
TFR	Transnet Freight Rail
TIS	Transport Information Systems
TKC	Trans Kalahari Corridor
TRP	Taxi Recapitalisation Programme

## **U**

UN	United Nations
UNFCCC	United Nations Framework Convention on Climate Change

## **V**

VCI Visual Condition Index

## **W**

WC Western Cape

WHO World Health Organisation