

(DRAFT) REVISED WHITE PAPER ON NATIONAL TRANSPORT POLICY

Presentation to SABOA

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transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

PROBLEM STATEMENT

- The 1996 White Paper strived to address the challenges of poverty, inequality and unemployment through a more effective and efficient transport system. However, since then, there have been changes in South Africa's political, economic and social conditions; and concomitantly in the needs that the transport sector has to address in the post-apartheid democracy.

KEY ISSUES IDENTIFIED

1. **Inadequate** of investments in rail infrastructure leads to over congestion on the road, consequently leading to less road life span and high costs associated with road maintenance and development.
2. **Limited** access to transport in rural areas and for the disabled leads to both high costs of commutering and also under-development of the secondary rural networks.
3. **Scarcity** of requisite skills and expertise to implement policy proposals particularly in rural areas.
4. **Limited enforcement resulting in** resistance from stakeholders to implement policies and proposals.

EXAMPLES OF PROPOSED MITIGATION MEASURES

1. Investing in rail network, rolling stock, and moving rail friendly cargo from road to rail.
2. Increasing the road network and maintenance expenditure.
3. The Department to work closely with Centres of Excellence and TETA to identify much needed skills in the sector.
4. The Department to continuously engage stakeholders throughout the policy implementation phase.

APPROACH TAKEN

- Established and confirmed the vision and objectives for the South African transport sector, as outlined in the 1996 White Paper and the subsequent relevance and evolution of this vision since 1996.
- Outlined the key challenges facing each mode and current trends, by reviewing current transport sector Policies, Strategies, Plans, Frameworks and reports produced by transport specialists.
- Included modal specialist inputs.
- Incorporated initial stakeholder feedback from sector experts and SOCs.
- Completed legal harmonization review.
- Drafted a Revised White Paper on National Transport Policy (First Draft).
- Conducted comprehensive stakeholder consultation.
- Draft Revised White Paper on National Transport Policy reflects the policy vision as in 2017.



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OBJECTIVES OF THE POLICY

To support the goals of the prevailing National Development Plan 2030, National Infrastructure Plan and Government's Programme of Action

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

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

To improve South Africa's competitiveness and that of its transport infrastructure and operations by reducing the cost of doing business;

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

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

To develop strategies to attain these policy goals.

CONSULTATIONS AND PROCESSES

Government departments and representative bodies

- **Internal (DoT) Workshop held on 13 March 2015.**
- **Three national stakeholder Workshops**
 - (1) National Stakeholder Workshop (Government-only) - 21 and 22 May 2015;
 - (2) National Stakeholder Workshop (all inclusive - Agencies, Other Government Departments, Provinces, etc.) - 5 November 2015; and
 - (3) National Stakeholder Workshop (all inclusive - Agencies, Other Government Departments, Provinces, etc.) - 17 and 18 March 2016.
- **Presentations to representative bodies of transport and to mode specific Branches.**
 - (1) National Transport Forum
 - (2) SALGA
 - (3) Roads Coordinating Body
 - (4) Roads Transport Branch
 - (5) Public Transport Branch
 - (6) Maritime Transport Branch
 - (7) Northern Cape Department of Transport

SEIAS process

The Draft Revised White Paper on National transport Policy was assessed and quality assured by the Socio Economic Impact Assessment System (SEIAS) Unit at the Department of Planning, Monitoring and Evaluation (DPME). A sign off certificate was granted, on condition that a final SEIAS report will be submitted post public commenting.

Cluster process

A presentation was made to the FOSAD ESEID Cluster on the 4th of August 2016.

It was supported that the Department proceeds to Cabinet to seek approval to gazette the Draft Revised White Paper on National Transport Policy on condition that a bilateral with Department of Public Enterprise (DPE) is convened.

Several Meetings have been held with DPE, wherein officials from both Departments agreed on basic principles and the approach to issues pertinent to both Departments. DPE has sent a comprehensive list of comments and inputs, most of which have been accommodated. The outstanding issues are primarily textual.

The Cabinet Memorandum was thus finalised following the recommendations and resolutions of the Cluster.



IMPLICATIONS OF THE REVISED WHITE PAPER

IMPLEMENTATION PLAN

- Implementation of the Revised White Paper on National Transport Policy will be achieved through the Integrated Implementation Plan, which will be finalised and adopted by March 2018. Implementation will commence from April 2018.

ORGANISATIONAL AND PERSONNEL IMPLICATIONS

- There are no organisational and personnel implications brought about by the Revised White Paper on National Transport Policy, as recommendations do not affect the structure, functions, and supporting agencies.

FINANCIAL IMPLICATIONS

- The communication plan outlines some financial costs for broadcasting on Radio and Television, as well as for media printing. The total cost for broadcasting is around R750 000.

COMMUNICATION IMPLICATIONS

- Upon receiving Cabinet approval, the Department of Transport will publish the Draft Revised White Paper on National Transport Policy in the Government Gazette for public comments.
- A communication plan has been drafted and approved by internal Communications in the Department of Transport.
- A copy of the communication plan was shared with the Government Communication and Information System Department for endorsement.

CONSTITUTIONAL IMPLICATIONS

- The constitutional implication is that the constitution gives the Minister the right to develop policy.

IMPLICATIONS FOR VULNERABLE GROUPS

- The vulnerable groups are considered in the Draft Revised White Paper on National Transport Policy. There will be enhanced participation in the sector and provision of appropriate public transport infrastructure.

SECURITY IMPLICATIONS

- There are no security implications.



1996 vs. REVISED STRUCTURE

1996 STRUCTURE

- **POLICY STATEMENTS**
- **INFRASTRUCTURE**
 - Transport infrastructure (all modes)
- **OPERATION AND CONTROL**
 - Land passenger transport
 - Land freight transport
 - Civil aviation
 - Maritime transport
 - Road traffic and safety

1. Principles, objectives and vision

2. Principal modes of transport

- Civil aviation
- Maritime
- Rail
- Roads

3. Public transport

4. Overarching transportation issues

- Concurrent functions and devolution
- Environmental considerations
- Funding
- Integrated transport planning and infrastructure

- Enabling industry and human development
- Transport research and data



VISION

Old Vision	What it will read like when amended	The benefit / impact of the amendment
<p>“To improve South Africa's competitiveness and that of its transport infrastructure and operations through greater effectiveness and efficiency to better meet the needs of different customer groups, both locally and globally.”</p>	<p>“A transport system that provides equitable and reliable access for all in an economically and environmentally sustainable manner to advance inclusive growth and competitiveness of the country.”</p> <p>“In particular, government will provide for a <i>transport system</i> that will:</p> <ul style="list-style-type: none"> Facilitate the movement of goods and people; Enable equitable access to personal economic opportunities and social services; Support economic and environmental sustainability and inclusive growth; and Advance national, regional and global competitiveness of the country. <p>To achieve this, there must be adequate supply of transport infrastructure and services in relation to demand. Furthermore, for the users of transport, the supply should be:</p> <ul style="list-style-type: none"> Accessible; Cost effective; Time efficient and reliable; and Safe and secure.” 	<p>The role of government is repositioned and is focused on the establishment of a transport system that enables access, etc., without necessarily providing transport operations and infrastructure directly.</p>



CIVIL AVIATION

Gaps/ challenges that will be addressed through the amendments	What it will read like when amended	The benefit / impact of the amendment
<p>There is ongoing obscurity surrounding direct State involvement in the provision of air services, with three state-owned airlines competing with private airlines.</p>	<p>“In order to meet the principle of equal treatment of all participants in the market, which could be jeopardised by the state ownership of airlines, the State reaffirms its intention to reposition its direct involvement in the provision of air passenger and freight services in what is meant to be a deregulated and competitive environment.”</p>	<p>This change will act to address the obscurity to promote an investor-friendly environment, and encourage competition in the airline industry to the benefit of consumers.</p>
<p>“The overlapping of functions between the Air Service Licensing Council (ASLC) and the International Air Services Council (IASC) on safety and reliability.”</p>	<p>“The degree of functional overlap and desirability of merging the air service licensing bodies to achieve maximum efficiency and effectiveness should be investigated.”</p>	<p>The merging of the air service licensing bodies has the potential to yield significant efficiency improvements.</p>
<p>The integration of airport planning needs to be enhanced, particularly between national, provincial and local spheres.</p>	<p>“Airport development should be planned holistically in accordance with a structured National Airports Development Plan, which would support national, provincial and local community objectives.”</p>	<p>The amendment will encourage effective and productive airport development, incorporating the influence airports have on provincial and municipal socio-economic development.</p>

MARITIME & RAIL

Maritime

Rail

Gaps/ challenges that will be addressed through the amendments	What it will read like when amended	The benefit / impact of the amendment
<p>There is a need to support and emphasise the separation of the TNPA and Transnet. TNPA has not been separated as a subsidiary of Transnet or as an independent public company.</p>	<p>“The port authority will be independent of any port operating agency (or agencies), which may be achieved by various institutional arrangements, ranging from accounting separation to the physical separation of the Ports Authority from Transnet.</p>	<p>This amendment will support more effective economic regulation, and will reduce the possibility for conflict of interest in the oversight of port services.</p>
<p>The current legislation regime which accounts for local and national government participation in maritime development and planning should be implemented.</p>	<p>“All stakeholders, including all levels of government, will be consulted in the planning of ports through the existing mechanisms provided for in the Ports Act and the National Environmental Management.”</p>	<p>Promoting the inclusion of all stakeholders through the mechanisms provided for in existing legislation will improve the integration and efficiency of maritime development and planning.</p>
<p>There is an urgent need for rail revitalisation and infrastructure investment. Investments in infrastructure will focus on increasing rail’s ability to compete in market spaces where it has potential to win back substantial contestable or rail-friendly freight and passenger traffic from other transport modes, particularly road.</p>	<p>“The Government will prioritise investment in track, rolling stock, and appropriate technologies in rail. A comprehensive upgrade and renewal of infrastructure and investment in world class high performance network and appropriate competitive technologies is required to enable the shift of freight and passenger traffic from road to rail.”</p>	<p>Investments in the rail sector will position it to compete effectively and sustainably in the local transport market, facilitating the shifting of freight and passengers from road to rail.</p>
<p>“The private sector has a key role to play in rail transport. Economic regulation must create a conducive environment for private sector participation.”</p>	<p>“An investment-friendly environment must be created and regulatory uncertainty must be removed through the establishment of the STER. Rail economic regulation under the STER must establish a legal framework that is clear, objective and neutral between public and private operators. Tariff regulation must be fair, reasonable, provide efficiency incentives and give effect to the principle of reasonable return on investment.”</p>	<p>Clarity on role for private sector,. The creation of an investment-friendly environment will change business fundamentals and remove regulatory uncertainty so as to encourage private sector participation in the rail sector with the effect of aiding revitalisation, driving development and maximising growth.</p>

ROADS

Gaps/ challenges that will be addressed through the amendments	What it will read like when amended	The benefit / impact of the amendment
<p>“The unacceptable traffic conditions on South African roads, and especially the high accident and casualty rates, still continues, although most of the strategies recommended in 1996 have been put in place.”</p> <p>“A stronger approach will be needed to effect a more drastic improvement in road user discipline and reduce collisions.”</p>	<p>“Roadside testing of the compliance of vehicles with critical roadworthy requirements will be increased.”</p> <p>“The development of safer road infrastructure for all users should be prioritised. Compulsory road safety audits will be undertaken and reviewed every five years in accordance with the policy intent of the Draft Non-Motorised Transport Policy.”</p>	<p>These amendments and similar policies will address the five pillars referenced in the National Road Safety Strategy, namely safer roads and mobility, safer vehicles, safer road users, post-crash response and road safety management, improving traffic conditions and road safety in South Africa.</p>
<p>Non-motorised transport (NMT) should be explicitly promoted and developed . NMT should be integrated into spatial development strategies.</p>	<p>“Adequate and sustainable funding for the promotion, implementation and development of NMT will be made available. NMT modes will be endorsed and the use thereof facilitated.</p> <p>Marginalised groups should be empowered including the promotion of SMMEs through NMT.”</p>	<p>The promotion and development of NMT will act to reduce carbon emissions, promote a modal shift towards more sustainable transport modes, and develop low-cost mobility options for consumers.</p>

PUBLIC TRANSPORT

Gaps/ challenges that will be addressed through the amendments	What it will read like when amended	The benefit / impact of the amendment
<p>Ensuring the <i>provision</i> of public transport services; ensuring and, where appropriate, <i>undertaking the planning, design, construction, maintenance and funding</i> of public transport operations and infrastructure;</p>	<p>“To promote a safe, reliable, effective, efficient, coordinated, integrated and environmentally friendly public transport system by developing norms and standards as well as regulations and legislation to guide the development of public transport for rural and urban passengers.”</p>	<p>Repositioning the role of government. Also in line with 1996 vision: “In the longer term the Government will seek a reduction in the cost to the State of the subsidisation of transport operations, based on a more effective and efficient public transport system being developed”</p>
<p>Lack of emphasis on NMT , to promote the use of public transport over private car travel, with the goal of achieving a ratio of 80:20 between public transport and private car usage”</p>	<p>“To improve the attractiveness of public transport and NMT to commuters over the use of private car travel, with the aim of increasing the proportion of commuters utilising public transport and NMT instead of private cars;”</p>	<p>Promoting NMT contributes to congestion reduction and reflects current policy thinking on public transport. It will also contribute to accessibility and affordability of transport for consumers.</p>
<p>Licensing/regulation of public transport using different approaches and nomenclature: “To promote and implement a system of competition for the market, related to public transport routes or networks based on Operating Licenses, concessions and negotiated and tendered contracts, with all public transport operators registered as formalised commercial entities, bound by the regulations pertaining to their Operating Licenses.”</p>	<p>“To promote and implement a system of competition for the market, related to public transport routes or networks based on Operating Licenses; concessions and negotiated and tendered contracts, with all public transport operators registered as formalised commercial entities, bound by the regulations of their Operating Licenses.”</p>	<p>Updating the approaches and the relevant terminology to post 1996 competition, transport legislation and policy direction.</p>

OVERARCHING TRANSPORT ISSUES

New Section or Section to be amended	Gaps/ challenges that will be addressed	What it will read like when amended	The benefit / impact of the amendment
<p>- Concurrent functions and devolution</p>	<p>Incorporation of subsequent transport legislation (National Land Transport Act, 2009) and clarifications: “The principle of subsidiarity and devolution of public passenger transport functions, powers and duties to the lowest appropriate level of government is confirmed. A single over-arching Land Passenger Transport Act will be compiled at national level, clarifying the relationships between levels of government, ...defining concurrent and exclusive powers.”</p>	<p>“The principle of subsidiarity and devolution of transport functions, powers and duties, including the contracting authority and regulating agency functions, to the lowest appropriate level of government, where capacity exists, is confirmed. Such devolution could involve the creation of a Transport Authority, or an equivalent coordinated and accountable structure, at a Municipal, Provincial, or Mega-City/ City Region level.”</p>	<p>Recognising the progress made to date and refining the policy objectives. Reflecting policy guidance on devolution.</p>
<p>- Environmental considerations</p>	<p>No major gaps. Terminology somewhat outdated. “Promote environmental protection and resource conservation.” “Planning for the provision of infrastructure will take place within an integrated environmental management approach, and will include inter alia the performance of EIAs.”</p>	<p>“To promote awareness and understanding of transport-related environmental issues, increase participation in environmental management, address environmental problems at all levels of transport, and ensure compliance with standards, monitoring and reporting that demonstrate a tangible improvement in the sustainable use of natural resources.”</p>	<p>Focus on transport-related environmental issues, updated terminology, including compliance.</p>
<p>- Enabling industry and human development</p>	<p>Outdated terminology was updated, but no major changes. “Promoting tertiary education in the transportation disciplines, at South African universities and technikons, and forging partnerships internationally to provide more scholarships; promoting training and skills development, where relevant through Industry Training Boards.</p>	<p>“Promoting tertiary education in the transportation disciplines, at South African Universities and Universities of Technology, and forging partnerships internationally to provide more scholarships; and promoting training and skills development where relevant through the Transport Education and Training Authority (TETA).</p>	<p>The use of updated terminology makes the White Paper more understandable to readers who may not be familiar with the structures referred to.</p>

OVERARCHING TRANSPORT ISSUES (Cont.)

New Section or Section to be amended	Gaps/ challenges that will be addressed	What it will read like when amended	The benefit / impact of the amendment
-Funding -	The 1996 White Paper places emphasis on government funding without clarifying where it will target its involvement. "Subject to market discipline, the necessary funding for the establishment and maintenance of transport infrastructure will be arranged through an appropriate model: <ul style="list-style-type: none"> - Public ownership and operation by state departments or by a state enterprise or agency; - Private ownership and private operation; - Joint ventures between the public and private sectors;" 	"The strategic objectives for funding are: <ul style="list-style-type: none"> - To ensure adequate, equitable, efficient, sustainable and dedicated financing and funding for infrastructure, operations, and law enforcement; - To promote private sector participation in the transport sector, for both funding and infrastructure and for obtaining skills. - Private sector participation may not be desirable or feasible in the provision of transport infrastructure in all modes. 	Clarity on role for private sector, explicit delineation of where private sector participation is desired.
	A distinction will be made between: <ul style="list-style-type: none"> - social access requiring government funding or "subsidy"; - infrastructure suitable for indirect user charging (fuel levies) - infrastructure suitable for private sector investment, e.g. toll roads 	The current distinctions are maintained. Policy refined according to mode. Rail specific: "Government will promote participation of the private sector in investment projects, and limit its role to strategic investment that cannot or is undesirable to be undertaken by the private sector."	Clarity on role for private sector, explicit delineation of where private sector participation is desired.
-Integrated transport planning and infrastructure	Not entirely clear that planning must be integrated and coordinated. Establish co-ordinating structures: these will "need to be cascading in nature to address infrastructure needs at the three levels of government as well as integrating the various elements of transport planning and infrastructure." "Integrate land use and transport planning;" "it is essential that an integrated passenger transport plan should be developed in the context of a land use plan which is supportive of efficient land passenger transport."	"An integrated transport planning framework should be established that integrates infrastructure planning across modes for both freight and passenger transport, integrates the transport system with other sectors, and fosters integrated transport planning between the Department of Trade and Industry and other departments, across and within the three spheres of government using shared data and information."	Clarity on harmonisation of planning in an integrated transport framework, covering freight/passenger and all modes.

PROCESS THUS FAR

Waiting for approval by Cabinet
for gazetting for public comments.

Hopefully to be all done by 31st March 2018

CONTACT DETAILS

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Thank you

