



**Western Cape
Government**

**PRESENTATION TO SMALL BUS OPERATORS
"Conversion of permits to Operating Licences"**

**Bernie MacMahon
Director : Operating licences and permits
May 2017**

WAY FORWARD

WAY FORWARD

- Challenges faced by different provinces not dissimilar
- Identify best practices (eclectic approach);
- Learn from each other;
- Consolidated approach needed throughout the country to improve public transport regulation.



NATIONAL LAND TRANSPORT AMENDMENT BILL



This will necessitate a change in the way we do business



Imminent promulgation of NLTA Amendment Bill



We need to keep operators abreast of the latest developments



Western Cape Government

NATIONAL LAND TRANSPORT AMENDMENT BILL



Changing mindsets

Processes have been improved /
Simplified in the interest of our clients



Western Cape
Government

Previous Legislation

- ❑ Motor Carrier Road Transportation Act (Act no.39 of 1932)
- ❑ Road Transportation Act (Act no.74 of 1977)
- ❑ National Land Transport Transition Act (Act 22 of 2000)

- **The National Land Transport Act (Act no.5 of 2009)(NLTA)** and associated regulations were promulgated in December 2009 and now governs land transport in South Africa;

- Seven year **“transition period”**

- The NLTA must be used in union with certain provincial laws
 - **See section 62(1) / Regulation 22(j)**

Purpose of the NLTA

Purpose of the NLTA:

- To continue the process of **transforming** and **restructuring** the land transport system;
- To give effect to national policy and to prescribe national principles and guidelines;
- To consolidate land transport functions and locate them in the most appropriate sphere of government;
- To move from a **supply-driven** transport system to a **demand-driven** transport system based on plans

Conversion process started under the Transition Act and continued under the NLTA.

NATIONAL LAND TRANSPORT ACT (Act 5 of 2009)

NPTR
(section 20)

- **TOURISM**
- **INTER-PROVINCIAL**

POLB

PRE
(Section 23)

- **INTRA-PROVINCIAL**
TRANSPORT

MRE
(Section 17)

- **WITHIN MUNICIPAL**
BOUNDARIES



IMPORTANT FACTS

- Most of the permits / operating licences held by members of SABOA authorise both local and inter-provincial services;
- Regulation 3 – Where a permit authorises both interprovincial and intra-provincial services, an application to convert the permit must be made to the NPTR. The NPTR must refer the application to the relevant planning authority re routes / 180-day operation.
- PRE's are currently performing the functions of the NPTR in terms of regulations 46 and 47 insofar as interprovincial services are concerned;
- This may change in the immediate future.

Section 47 – Rationalisation of existing permits general

National Directive

Non-deprivation of
permits.....

NLTA Provisions

Section 47

NLTTA –
Sections 32, 79,
80 & 81

- Process started under the NLTTA
- **Preceded by forced conversions to convert from radius to route.**
- All permits must be converted to operating licences by the date mentioned in subsection (2), **failing which they lapse.**
- **Authority and status must remain the same (indefinite permits have been converted to indefinite operating licences);**
- **Initial deadline – 31 May 2006;**
- **Most permits in the Western Cape have been converted prior to end of May 2006 (transaction 21);**
- Permits never **cancelled** in LTPS;
- **Multiple** conversions on same permits;
- Rationale.....**NTTT** recommendations (assignment of routes)
- **180-day requirement/dormant licences**

Transaction Types

Conversion of permits to operating licences

PADVERVOER • ROAD TRANSPORT
Onderskeidingsteken/Distinguishing mark
OP 527045
Geldigheidsduur/Period of validity
89-07-06 to 90-06-20
Houder/Holder
Achmat Sabar
Voertuig/Vehicle
Toyota Lotus River
Kode/Code
SA 51111

OPENBARE PADVERVOERPERMIT • PUBLIC ROAD CARRIER PERMIT
Hierop is toegestaan om te vervoer te verrichten op openbare padde onderworpen aan die Wet van 1987 (No. 71 van 1987).
This permit is valid for carrying out the business of a public road carrier subject to the provisions of the Transport Legislation Act, 1987 (No. 71 of 1987).
Hierop is toegestaan om te vervoer te verrichten op openbare padde onderworpen aan die Wet van 1987 (No. 71 van 1987).
This permit is valid for carrying out the business of a public road carrier subject to the provisions of the Transport Legislation Act, 1987 (No. 71 of 1987).

Particulars of holder of permit:
Name: Achmat Sabar
Address: 13 Klip Rd, Lotus River
Registration Number: 549389

Particulars of vehicle:
Make: Toyota
Model: Lotus River
Registration Number: 549389

Period of validity:
Valid from: 6 July 1989 to 20 June 1990

Magistering Authority:
A3

Particulars of vehicle:
Registration Number: 549389
Make: Toyota
Model: Lotus River
Registration Number: 549389

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Registration Number: 549389
Make: Toyota
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Republiek van Suid-Afrika
REPUBLIC OF SOUTH AFRICA
DEPARTMENT OF TRANSPORT
DEPARTMENT OF TRANSPORT

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This permit is valid for carrying out the business of a public road carrier subject to the provisions of the Transport Legislation Act, 1987 (No. 71 of 1987).

OPERATING LICENSE
This document authorizes and is restricted to the business of a public road carrier subject to the provisions of the Transport Legislation Act, 1987 (No. 71 of 1987).

OPERATING LICENSE HOLDER
Name: Achmat Sabar
Address: 13 Klip Rd, Lotus River
Registration Number: 549389

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Address: 13 Klip Rd, Lotus River
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OPERATING LICENSE PARTICULARS
Valid from: 2012/04/10 to Indefinite

OPERATING LICENSE PARTICULARS
Valid from: 2012/04/10 to Indefinite

PROVINCIAL REGULATORY ENTITY
Date: 2012-04-11

Cut along this line.

FOR THE FILE

PUBLIC ROAD TRANSPORT
OP 527045
2012/04/10 Indefinite

V 1417081

Section 47 – Rationalisation of existing services - general

NLTA Provisions

Section 47

NLTTA sections
32,79,80 & 81

Associated
Sections/
Regulations

- All permits issued for a definite period remain valid but will lapse when that period expires, provided that if such a permit is still valid on a date calculated as seven years from the day of commencement of this Act, it will lapse;

- All permits issued for an indefinite period remain valid, subject to sections 48 & 49, but lapse seven years after the commencement of this Act, **but the holder may apply for its conversion to an operating licence;**

**7 year period ended
8 December 2016**

- Where the services authorised by a permit were not provided continuously for a period of 180-days prior to the date of commencement of this Act, the permit must be cancelled in terms of section 78 of this Act.

- Section 78
- Regulation 14 – Regular operation within last 180 days/Operator must still be a fit and proper person/PA's comment in respect of 180-day operation binding upon PRE/Conversion from radius to route;
- **Simultaneous conversions – See section 79**

Section 48 – Rationalisation of existing scheduled services.

NLTA Provisions

Section 48

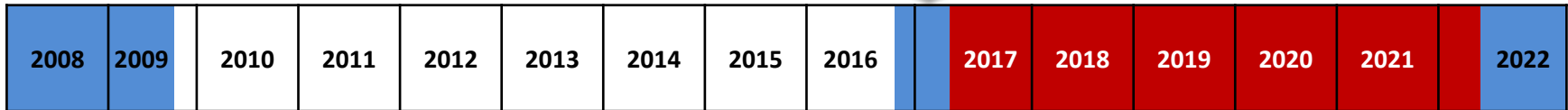
NLTTA sections
32,79,80 & 81

- Where a permit authorises scheduled services provided for in a contract between a contracting authority and the permit holder, the contracting authority must request the relevant regulatory entity to—
 - (a) **cancel the permit and issue an operating licence for the vehicle specific to the contract**, where appropriate in consultation with other relevant planning authorities;
 - (b) **cancel any permit of that holder authorising services on routes in the area on an uncontracted basis**, and not carry forward such authorisation to the operating licence contemplated in paragraph (a), unless the authorisation forms part of the contract,



Operational Challenges

National Department of Transport has obtained an order from the High Court



8 Dec 2009

Promulgation of NLTA (31/8/2009)



Bulk of WC permits converted under NLTA - 2006

INDEFINITE OL'S

Conversions of permits to ol's - 8 Dec 2016

Expiry of all permits PAJA !!! NOT APPLICABLE !!!

National directive - implement the NLTA in its current form

All permits remain valid until Amendment Bill is enacted

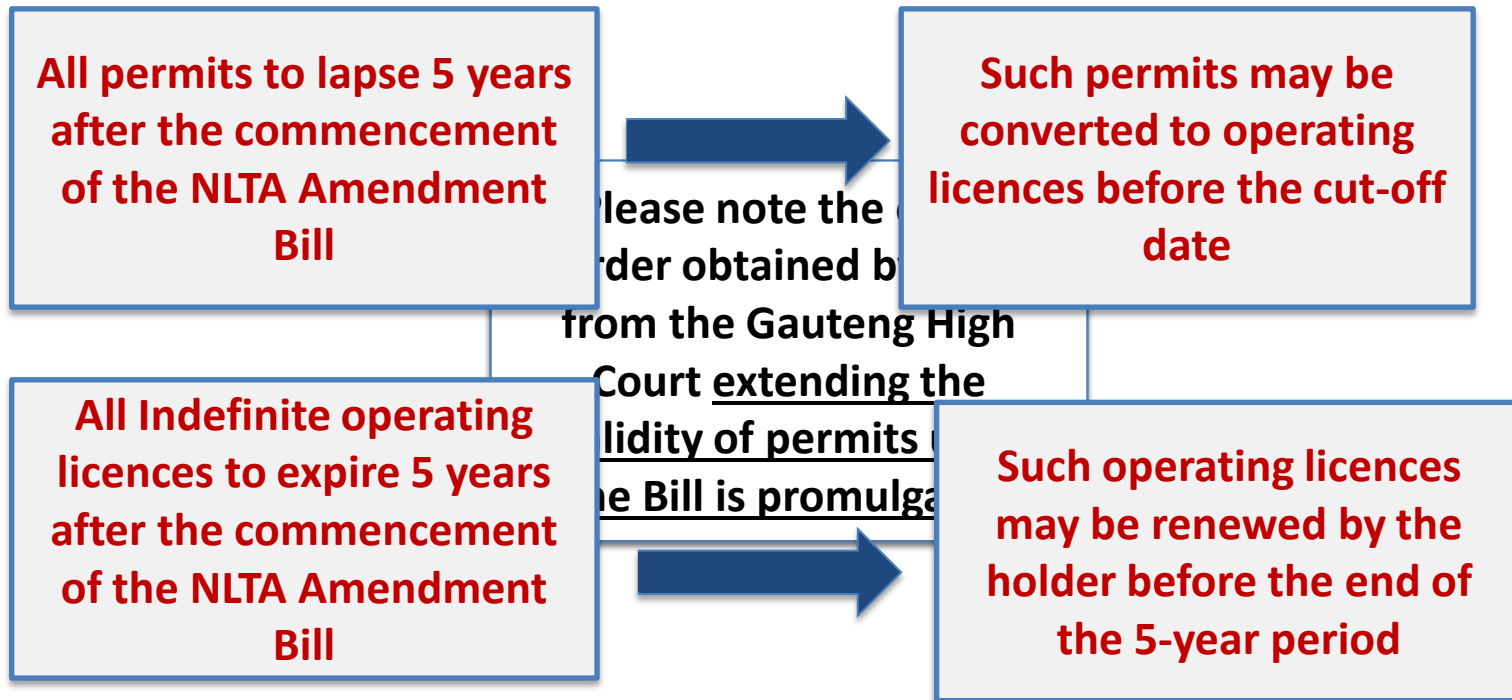
Promulgation of NLTA Amendment Act

Conversions of permits to ol's (5 year period)

Conversions from indefinite ol's to definite period ol's (5 year period)

Amendments to section 47 the NLTA

RATIONALISATION OF EXISTING SERVICES (CONVERSIONS):



No permit to be renewed, amended or transferred unless first converted

So what are our requirements for conversions

- Where a permit is renewed, amended or transferred, an operating licence must be issued (see sections 58 and 73 of the NLTA). **There is no need to submit a separate application for conversion;**

Submission requirements	Upliftment requirements
Complete form 1A	Valid tax clearance certificate
Valid tax clearance certificate	Certificate of fitness
Form 10	Registration and licensing papers (Note that operator disc (for reward) will only be issued after OL has been uplifted.
Proof of 180 day operation – benefit of the doubt will be given to operators	
Fresh supporting letters – in the case of charter authorities	Statement regarding compliance with labour laws
Copy of ID / company registration docs	Previous issue of operating licence
Operator assessment form - charter	Lease agreement (where applicable)
Detailed description of routes – in the case of radius / area based permits.	Inspection of vehicle markings
List of ranks and terminals and other spaces used for boarding and alighting (in the case of a radius / area based permit.	

FOR MORE INFORMATION

Thank you

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