

**NATIONAL
DEPARTMENT OF
TRANSPORT**

**Annual Report
2012/2013**

Vote 37



National Department of Transport

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DEPARTMENT OF TRANSPORT

VOTE 37

ANNUAL REPORT 2012/13

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Section 1:

General Information



GENERAL INFORMATION

for the year ended 31 March 2013

ABBREVIATIONS AND ACRONYMS

AARTO	Administrative Adjudication of Road Traffic Offences Act
ABS	Anti-lock Braking System
ACSA	Airports Company of South Africa
AFCAC	African Civil Aviation Commission
AG	Auditor-General
AGM	Annual General Meeting
AO	Accounting Officer
APP	Annual Performance Plan
ATM	Air Traffic Management
ATNS	Air Traffic and Navigation Services
AU	African Union
AVSEC	Aviation Security
BAS	Basic Accounting System
B-BBEE	Broad-Based Black Economic Empowerment
BEE	Black Economic Empowerment
BRT	Bus Rapid Transit Systems
CARCOM	Civil Aviation Regulation Committee
C-BRTA	Cross-Border Road Transport Agency
CEOs	Chief Executive Officers
CFO	Chief Financial Officer
CI	Corporate Identity
CIO	Chief Information Officer
COLTO	Committee of Land Transport Officials
COO	Chief Operations Officer
COP17	17th Conference of Parties to the United Nations Framework Convention on Climate Change
COTO	Committee of Transport Officials
CSIR	Council for Scientific and Industrial Research
CSSS	Comprehensive Social Security System
DBSA	Development Bank of Southern Africa
DEA	Department of Environmental Affairs
DEAT	Department of Environmental Affairs and Tourism
DG	Director-General
DLCPF	Card Production Facility
DLTC	Driving Licence Testing Centre
DM's	District Municipalities
DORA	Division of Revenue Act
DoT	Department of Transport
DPME	Department of Monitoring and Evaluation
EA	Executive Authority
EC	Eastern Cape
eNaTIS	Electronic National Administration Traffic Information System
EPM	Enterprise Portfolio Management
EPMS	Electronic Performance Management System
EPWP	Expanded Public Works Programme
ESB	Enterprise Service Bus
EXCO	Executive Committee
FIFA	Fédération Internationale de Football Association
FS	Free State
GFIP	Gauteng Freeway Improvement Project
GHG	Green House Gases

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GP	Gauteng Province
HOD	Head of Department
HR	Human Resources
HRD	Human Resources Development
IAAIB	Independent Aircraft Accident and Incident Investigation Body
ICAD	International Civil Aviation Day
ICAO	International Civil Aviation Organization
ICT	Information Communication Technology
IDP	Integrated Development Plan
IFMS	Integrated Financial Management System
ILO	International Labour Organisation
IMO	International Maritime Organisation
IOPC	International Oil Pollution Compensation
IPAPII	Industrial Policy Action
IPTN	Integrated Public Transport Network
IR	International Relations
IRPTN	Integrated Rapid Public Transport Network
ISPS	International Ship and Port Security
IT HUB	Information Technology HUB
IT	Information Technology
ITP	Integrated Transport Planning
KZN	KwaZulu-Natal
LCU	Local Currency Unit
LP	Limpopo
LRIT	Long Range Identification and Tracking
M&E	Monitoring and Evaluation
MARPOL	International Convention for the Prevention of Pollution from Ships
MEC	Member of the Executive Council
MEOSAR	Medium Orbit Search and Rescue
MEPC	Marine Environment Protection Committee
MINMEC	Ministers and Members of the Executive Council
MoU	Memorandum of Understanding
MP	Member of Parliament
MRCC	Maritime Rescue Coordination Centre
MSAC	Marine Safety Advisory Council
MTEF	Medium Term Expenditure Framework
NADP	National Airports Development Plan
NAMA	Nationally Appropriate Mitigation Action
NASP	National Security Programme
NATFC	National Air Transport Facilitation Committee
NATMAP	National Master Plan
NDoT	National Department of Transport
NC	Northern Cape
NEPAD	New Partnership for African Development
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
NTIP	National Traffic Intervention Police Unit

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NTV	New Taxi Vehicle
ODG	Office of the Director-General
OL	Operating Licence
PFMA	Public Finance Management Act
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
RABS	Road Accident Benefit Scheme
RAF	Road Accident Fund
RER	Rail Economic Regulator
RFP	Request for Proposals
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
SA BOA	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
SAR	Search and Rescue
SARP	Standards and Recommended Practices
SATS	South African Transport Services
SBO	Small Bus Operator
SLA	Service Level Agreement
SOEs	State Owned Entities
STWC	Standards of Training Certification and Watch Keeping
TETA	Transport Education and Training Authority
TIS	Transport Information Systems
TKC	Trans-Kalahari Corridor
TRP	Taxi Recap Organization
UN	United Nations
UNFCC	United Nations Framework Convention on Climate Change
WC	Western Cape

GENERAL INFORMATION

for the year ended 31 March 2013

I.1 STRATEGIC OVERVIEW

Vision

Transport, the Heartbeat of Economic Growth and Social Development!

Mission

To lead the development of efficient integrated transport systems by creating a framework of sustainable policies and regulators and implementable models to support government strategies for economic, social and international development.

Values

The core values of the Department are:

- ❖ Maintain fairness and equity in all our operations;
- ❖ Strive for quality and affordable transport for all;
- ❖ Stimulate innovation in the transport sector;
- ❖ Ensure transparency, accountability and monitoring of all operations; and
- ❖ Ensure sustainability, financial affordability, accessibility as well as the upholding of the *Batho Pele* Principles.

Mandate

To maximise the contribution of transport to the economic and social development goals of our country by providing fully integrated transport operations and infrastructure.

The main roles of the Department of Transport (DoT) and its public entities in relation to the transport sector are:

- ❖ Policy and strategy formulation in all functional areas;
- ❖ Substantive regulation in functional areas where DoT has legislative competence;
- ❖ Implementation in functional areas where DoT has legislative competence;
- ❖ Leadership, coordination and liaison in all functional areas;
- ❖ Capacity building in all functional areas;
- ❖ Monitoring and evaluation and oversight in all functional areas; and
- ❖ Stimulate investment and development across all modes.

I.2 LEGISLATIVE MANDATE

The Department of Transport is responsible for maximising the contribution of transport to the economic and social development goals of the society by providing fully integrated transport operations and infrastructure.

a) **National Land Transport Act, 2009 (Act No 5 of 2009)**

The Act provides for the further transformation and restructuring of public transport planning and regulation. It takes forward policy initiated by the National Land Transport Transition Act, 2000 (Act No. 22 of 2000), and it seeks to further empower the role of the municipal sphere in the provision of public transport.

b) **Civil Aviation Act, 2009 (Act No. 13 of 2009)**

The Act gives effect to the Republic's obligation to comply with the Regulations of the International Civil Aviation Organisation (ICAO). The Act provides for the establishment of a South African Civil Aviation Authority with safety and security oversight functions, and the establishment of an independent Aviation Safety Investigation Board in compliance with Annex 13 of the Chicago Convention.

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LEGISLATIVE CHANGES ENVISAGED IN 2012/13

a) Merchant Shipping (Civil Liability Convention Bill)

The purpose of this Bill is to enact the International Maritime Organization Protocol of 1992; to amend the International Convention on Civil Liability for Oil Pollution Damage of 29 November 1969 into law and to provide for matters connected therewith. The Bill creates the legal liability of the ship owner in the event of oil pollution in the sea.

b) Merchant Shipping (International Oil Pollution Compensation fund) (Contributions) Bill

The purpose of the Bill is to impose contributions on persons contemplated in Article 10 of the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1992; and to provide for matters connected therewith.

The contributions by the ship owner will be used to pay for damages caused by the oil spillage and also when the ship owner cannot satisfactorily compensate for the damages caused. The contribution will be used to pay the cleaning of the oil spill.

c) Merchant Shipping (International Oil Pollution Compensation Fund) Bill

The purpose of this Bill is to enact the International Maritime Organization Protocol of 1992; to amend the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage of 18 December 1971 into law. The Bill was published for public comments and was subsequently referred to the office of the State Law Advisers for scrutiny.

d) South African Maritime and Aeronautical Search and Rescue Amendment Bill

To incorporate the International Maritime Search and Rescue Act, 2002 (Act No. 44 of 2002); to give effect to the structural changes introduced to the South African Aeronautical Search and Rescue Organization. The purpose of this Bill is to harmonize the working relationship of committees as required by the organization, to align certain sections of the principal Act, to make way for the Act to comply with the current developments.

e) Maritime Transport Security Bill

The Bill proposes to repeal and replace the existing Merchant Shipping (Maritime Security) Regulations, 2004, made under the Merchant Shipping Act, 1951. The Bill's main purpose is to safeguard against unlawful interference with maritime transport. It seeks to achieve this purpose by continuing the risk-based and outcome-focused approach, first adopted in the 2004 regulations, of a regulatory scheme centred on the development of security plans for ships, ports, offshore facilities and other maritime transport operations.

f) Merchant Shipping Amendment Bill

The Bill's main object is to revise the limitation of liability provision; to modernize the law relating to ship owner's limitation by introducing a provision that is consistent with the provision of the 1976 Convention on Limitation of Liability for maritime claims and its 1996 Protocol; to introduce compulsory accident insurance for seafarer who suffered death or personal injury as a result of workplace accidents; and to give effect to the International Maritime Labour Convention. Once the convention is ratified by the Department of Labour, the Bill will then be introduced as it gives effect to the aforementioned Convention.

g) Transport Law Enforcement and Related Matters Amendment Bill

Amendment Bill

The Bill seeks to improve and facilitate law enforcement measures for collections of tolls and to include offences relating to the non-payment of tolls in the AARTO system.

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h) National Road Traffic Amendment Bill

This Bill addresses issues relating to the fitness of drivers, to address registrations and grading of licence testing centres, and to deal with matters connected therewith.

i) Merchant Shipping (Safe Containers) Convention Bill

The purpose of the Bill is to give effect to the International Convention for Safe Containers and for related matters. The Bill will maintain a high level of safety of human life in the transport and handling of containers by providing generally acceptable test procedures and related strength requirements. The Bill will facilitate transport of containers by providing uniform internal safety regulations, equally applicable to all modes of surface transport.

j) South African Maritime Authority Amendment Bill

This Bill amends the South African Maritime Safety Authority Act, 1998 (Act No. 5 of 1998). The Bill's purpose, generally, is to improve the functioning of the Authority and to harmonize the provisions of the principal Act with those of the current legislative developments

LAWS ADMINISTERED BY THE DEPARTMENT OF TRANSPORT

AVIATION

- Carriage by Air Act, 1946 (Act 47 of 1946)
- Aviation Act, 1962 (Act 74 of 1962)
- Air Services Licensing Act, 1990 (Act 115 of 1990)
- Airports Company Act, 1993 (Act 44 of 1993)
- Air Traffic and Navigation Services Company Act, 1993 (Act 45 of 1993)
- Convention on the International Recognition of Rights in Aircraft Act, 1993 (Act 53 of 1993)
- International Air Services Act, 1993 (Act 60 of 1993)
- South African Civil Aviation Authority Levies Act, 1998 (Act 41 of 1998)
- South African Airways Unallocatable Debt Act, 2000 (Act 7 of 2000)
- South African Maritime and Aeronautical Search and Rescue Act, 2002 (Act 44 of 2002)
- Convention on International Interests in Mobile Equipment Act, 2007 (Act 4 of 2007)
- Civil Aviation Act, 2009 (Act 13 of 2009)

MOTOR VEHICLES

- Road Transportation Act, 1977 (Act 74 of 1977)
- Urban Transport Act, 1977 (Act 78 of 1977)
- Road Traffic Act, 1989 (Act 29 of 1989)
- Financial Supervision of the Road Accident Fund Act, 1993 (Act 8 of 1993)
- Road Accident Fund Act, 1996 (Act 56 of 1996)
- National Road Traffic Act, 1996 (Act 93 of 1996)
- Cross Border Road Transport Act, 1998 (Act 4 of 1998)
- Transport Appeal Tribunal Act, 1998 (Act 39 of 1998)
- National Land Transport Interim Arrangements Act, 1998 (Act 45 of 1998)
- Administrative Adjudication of Road Traffic Offences Act, 1998 (Act 46 of 1998)
- Road Traffic c Laws Rationalization Act, 1998 (Act 47 of 1998)
- Road Accident Fund Commission Act, 1998 (Act 71 of 1998)
- Road Traffic c Management Corporation Act, 1999 (Act 20 of 1999)
- National Land Transport Transition Act, 2000 (Act 22 of 2000)
- National Land Transport Act, 2009 (Act 5 of 2009)

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RAILWAYS AND HARBOURS

- Railway Purchase Act, 1971 (Act 25 of 1971)
- Railway and Harbours Purchase Act, 1977 (Act 47 of 1977)
- Railway Construction Act, 1985 (Act 75 of 1985)
- Second Railway Construction Act, 1985 (Act 94 of 1985)
- South African Transport Services Conditions and Service Act, 1988 (Act 41 of 1988)
- Legal Succession to the South African Transport Services Act, 1989 (Act 9 of 1989)
- National Railway Safety Regulator Act, 2002 (Act 16 of 2002)
- National Ports Act, 2005 (Act 12 of 2005)

ROADS

- Advertising on Roads and Ribbon Development Act, 1940 (Act 21 of 1940)
- National Roads Act, 1972 (Act 54 of 1971)
- National Road Safety Act, 1972 (Act 9 of 1972)
- South African Roads Board Act, 1988 (Act 74 of 1988)
- Transport Deregulation Act, 1988 (Act 80 of 1988)
- South African National Roads Agency Limited and National Roads, 1998 (Act 7 of 1998)

SHIPPING

- Merchant Shipping Act, 1951 (Act 57 of 1951)
- Marine Traffic Act, 1981 (Act 2 of 1981)
- Carriage of Goods by Sea Act, 1986 (Act 1 of 1986)
- Marine Pollution (Prevention of Pollution from Ships), 1986 (Act 2 of 1986)
- Shipping and Civil Aviation Laws Rationalization Act, 1994 (Act 28 of 1994)
- Wreck and Salvage Act, 1996 (Act 94 of 1996)
- South African Maritime Safety Act, 1998 (Act 5 of 1998)
- South African Maritime Safety Authority Levies Act, 1998 (Act 6 of 1998)
- Ship Registration Act, 1998 (Act 58 of 1998)
- Sea Transport Documents Act, 2000 (Act 65 of 2000)

POLICY MANDATES

a) National White Paper on Transport Policy, 1996

The vision of the White Paper on National Transport policy is to provide safe, reliable, effective, efficient, and fully integrated transport operations and infrastructure which will best meet the needs of freight and passenger customers at improving levels of service and cost in a fashion which supports government strategies for economic and social development whilst being economically and environmentally sustainable.

b) White Paper on National Policy on Airports and Airspace Management, 1997

This is a national policy response on airports and airspace management as a result of far-reaching changes which have occurred in recent years in South Africa in general and in civil aviation in particular.

c) National Commercial Ports Policy, 2002

This aim of this policy is to ensure an internationally competitive port system informed by the knowledge that efficient ports are known to be catalysts for increased trade, and thus provide a comparative advantage for international trade. Thus this policy aims to ensure affordable, internationally competitive, efficient and safe port services based on the application of commercial rules in a transparent and competitive environment applied consistently across the transport system. The importance of this policy is further highlighted by the fact that globalization pressures make

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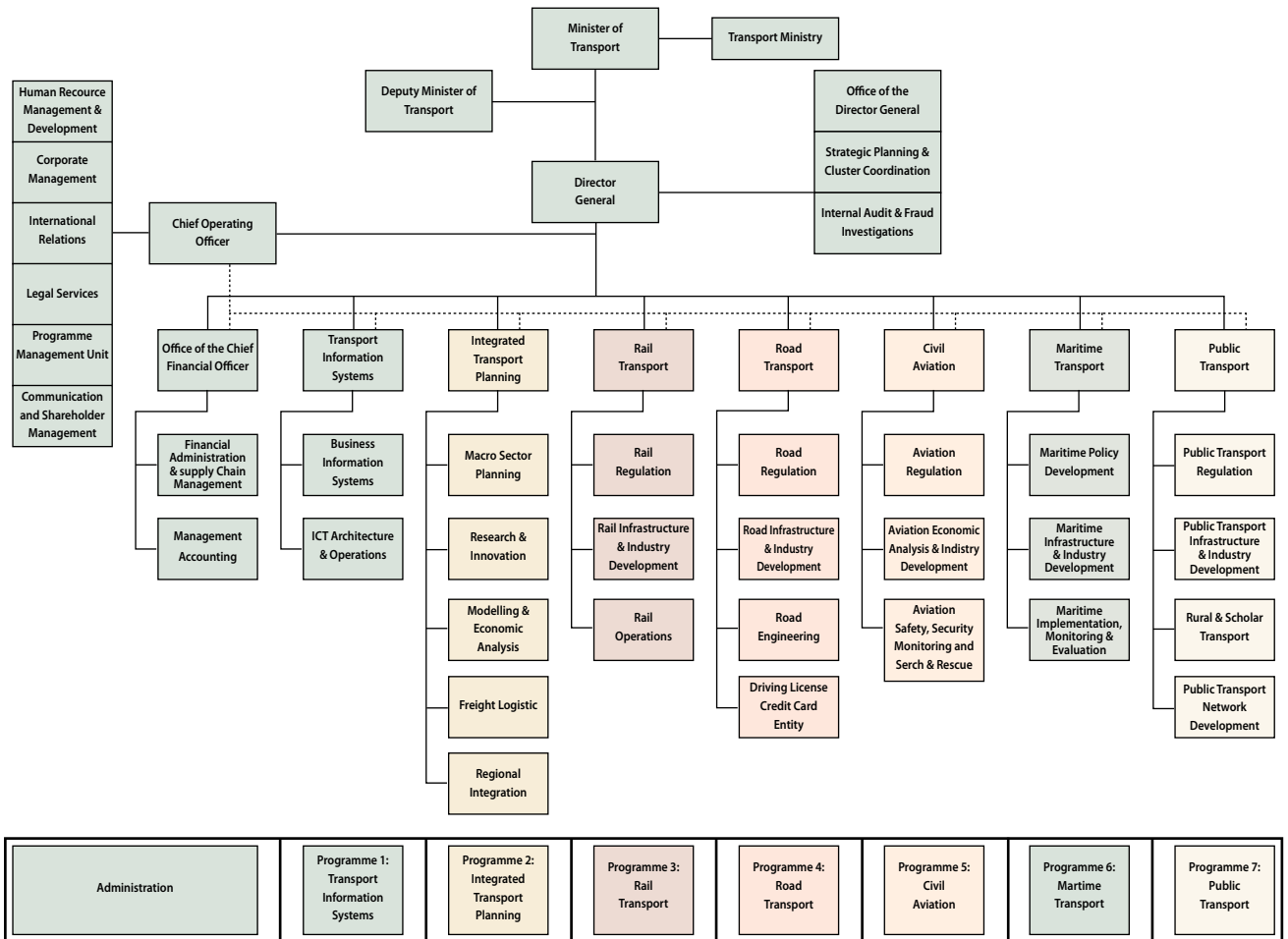
it essential that nations integrate their transport systems into the global logistics network. Ports are naturally being incorporated into this changing system and have to adjust to the new challenges and environment.

d) Taxi Recapitalization Policy, 2009

The Taxi Recapitalization Policy (TRP) is an intervention by Government to bring about safe, effective, reliable, affordable and accessible taxi operations by introducing New Taxi Vehicles (NTVs) designed to undertake public transport functions in the taxi industry.

I.3 ORGANISATIONAL STRUCTURE

Re-aligned Organisational Structure for the Department of Transport
May 2011



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I.4 ENTITIES REPORTING TO THE MINISTER

Name of entity	Legislative mandate	Financial relationship	Nature of operations
South African Civil Aviation Authority	South African Civil Aviation Act, 2009 (Act No. 13 of 2009)	Transfer payments	To provide control and regulate aviation within the Republic
Cross-Border Road Transport Agency	Cross-Border Road Transport (Act No. 4 of 1998)		To provide for cooperative and coordinated provision of advice, regulation, facilitation and law enforcement in respect of cross-border road transport by the public and private sectors
South African Maritime Safety Authority	South African Maritime Safety Act	Transfer payments	To provide for the establishment of SAMSA and to provide for matters connected therewith
Railway Safety Regulator	Railway Safety Regulator Act	Transfer payments	To provide for safety standards and regulatory practices for the protection of persons, property and the environment
Air Traffic and Navigation Services	Air Traffic and Navigation Services Act, 1993 (Act No. 25 of 1993)		To provide for the establishment of ATNS and to provide for the regulation of air traffic control
Road Accident Fund	Road Accident Fund Act, 1996 (Act No. 56 of 1996)		To provide for the payment of compensation for the loss or damages wrongfully caused by the driving of a motor vehicle
Airports Companies of South Africa	Airports Companies of South Africa Act, 1993 (Act No. 44 of 1993)		To operate the Republic's ten principal airports, providing airlines with world-class, secure infrastructure
Road Traffic Infringement Agency	Administrative Adjudication of Road Traffic	Transfer payments	To promote road traffic quality by providing for a scheme to discourage road traffic contraventions and adjudication of road traffic infringements and support the prosecution of road traffic offences
Road Traffic Management Corporation	Road Traffic Management Corporation Act, 1999	Transfer payments	To enhance the overall quality of road traffic services provision, and in particular ensure safety, security, order, discipline and mobility on the roads.
National Ports Regulator	National Ports Act, 2005 (Act No. 12 of 2005)	Transfer payments	To provide for the administration of certain ports by the National Ports Authority.
South African National Roads Agency	The South African Roads Agency Limited and National Roads Acts, 1998 (Act No. 7 of 1998)	Transfer payments	To manage and control the Republic's national roads system and take charge amongst others of the development, maintenance and rehabilitation of national roads within the framework of government policy
PRASA	Legal Succession to the South African Transport Services Act, 1989 (Act No. 9 of 1989) (as amended)		To ensure that, at the request of the Department of Transport, rail commuter services are provided within, to and from the Republic in the public interest and to provide, in consultation with the Department of Transport, for long-haul passenger rail and bus services within, to and from the Republic in terms of the principles set out in section 4 of the National Land Transport Transition Act, 2000 (Act No. 22 of 2000)

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I.5 FOREWORD BY THE MINISTER OF TRANSPORT



***Ms Dipuo Peters, MP
Minister of Transport***

Once more we have pleasure in presenting the Annual Report of the financial year 2012/2013 where we highlight the Department's achievements, plans, and challenges, and how we plan to deal with those challenges.

Top of this list is rail transport. We need to admit that our rail infrastructure has been ignored for far too long, and we have been paying the price for this neglect. The train crashes that took place and claimed people's lives and the suffering endured by train commuters risking their lives on a daily basis is a clear testimony to this.

The Department of Transport has developed a comprehensive draft Green Paper on National Rail Policy. The main thrust of the proposed policy focuses on investment in infrastructure and embraces new modern technology in rail. It addresses the regulatory framework required, particularly in areas of economic regulation, infrastructure and operations. Policy proposals made in the draft Green Paper include the investment required to restore rail to its desired state in the country's economy.

Another critical issue that continues to haunt us as a country and which can also limit our economy is the lack of both public transport and transport infrastructure in the rural areas of our country. This basically means that people in the rural areas are cut off from the major economic centres, and if they do manage to get there it is a 'mission' for them.

We cannot allow a situation like this to carry on without trying to alleviate it. The National Household Travel Survey has highlighted that a very large percentage of the population cannot afford transport costs.

The National Land Transport Act provides for different levels of government to be responsible for planning purposes, and in line with this phenomenon, the Department is currently looking at options to assist six district municipalities to develop their Rural Public Transport Network Plans through various funding models. This process will be rolled over to other district municipalities in the next financial years.

In this regard the Department is currently assessing the impact of the Rural Transport Strategy that was adopted in 2007. This process will be dovetailed into the formulation of the National Planning Guidelines for rural district municipalities' Public Transport Network Plans. This implementation intervention would address the multi-year planning and would streamline the various budgetary provisions. At the centre of this intervention is finding sustainable ways of strengthening and expanding the provision of public transport services in district municipalities.

Scholar transport is also being looked at as it is an important element that needs to be overhauled. In the short to medium term, the focus will be placed on obtaining approval of the National Scholar Transport Policy from Cabinet and constant monitoring of the implementation of the Scholar Transport Programme by the Department. Furthermore, the Department will be developing national operational guidelines to remedy operational challenges that provinces are facing with the implementation of the Scholar Transport Programme. These measures are aimed at ensuring that the Scholar Transport Programme is provided effectively and efficiently.

The Department will continue to mobilise South Africans to be active participants in our efforts to promote road safety and to reduce the death toll on our roads.

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We will spearhead the construction of pedestrian bridges, sidewalks and speed-calming measures such as speed humps and rumble strips in rural areas and townships. The Department will also introduce measures aimed at reducing fatalities caused by stray animals. We will also look at the number of law enforcement officers, and the capacity of critical agencies such as the Road Traffic Management Corporation (RTMC), the Road Accident Fund (RAF), the Cross-Border Road Traffic Agency (CBRTA) and the Road Traffic Infringement Agency (RTIA), which are responsible for enforcing the law on our roads.

As part of the 2012 campaign, we will prioritise certain roads that in the past have experienced many accidents. Twenty national and provincial roads have been identified as high priority areas. This does not mean that we should ignore local and municipality roads; this is a national campaign that should reach all communities in our country.

And lastly, South Africa is the only country in the BRICS partnership which has no maritime policy or strategy and that owns no ships. South Africa contracts other countries for transportation for all its outbound and inbound seaborne cargo which cost the country approximately R34 billion in 2012. The Ministry and Department of Transport, supported by the relevant agencies, need to address this strategic oversight by focusing on the critical delivery areas of the maritime domain during 2013/2014.

We need to finalise the Maritime Policy and fast-track through Parliament with the view to reform the sector and create an effective regulatory environment. We must finalise and adopt the Maritime Transport BBBEE Implementation Plan and appoint the Maritime Advisory Council.

We would like to thank the Department, Members of the Executive Council (MECs) responsible for transport in different provinces, the twelve agencies under the Department, local and international stakeholders, and the general public for their contribution in making it possible for us to implement our mandate.



Ms Dipuo Peters (MP)
Minister of Transport

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1.6 DEPUTY MINISTER'S STATEMENT



Deputy Minister Sindisiwe Chikunga, MP

We present the 2012/2013 Annual Report with the vision that we have a mandate to provide and report to Parliament on the milestones and interventions that we have developed in our efforts to provide reliable, safe, affordable and efficient transport services to all South Africans.

Through our work as a transport family we have experienced so much and there is still so much more to do to ensure safety and security in our oceans and skies, and on our roads and railways. We have much work to do to align our transport infrastructure and services with the relevant modes of transport to enable investment and economic growth and job creation projects. Transport infrastructure and services make the economy work.

Safety and security is a very critical instrument of our democracy, and is enshrined in the Constitution of the Republic. In the 2013/14 financial year, we have committed R60 million for maritime services to improve safety on ship repair and to reduce casualties in the Indian and Atlantic Ocean waters.

Our Maritime Safety and Security Development Programme is investing in boating and inland water safety projects. The target market is the high inland waterway casualty and incident zones as well as vulnerable communities. This project will also embark on an education and awareness campaign while increasing access to surveyor's examinations.

In 2012, SAMSA won the Africa Maritime Agency of the Year based on its contribution in Maritime Skills Development Programmes.

In 2012 the entity also won the Best Public Service Organization Award. The Department of Transport and its agencies, on behalf of South Africa, hosted the Diplomatic Conference on behalf of the International Maritime Organization (IMO) in Cape Town. This conference led to the successful adoption of an Agreement on the Implementation of the Torremolinos Protocol of 1993 relating to the 1977 Torremolinos International Convention for the Safety of Fishing Vessels. This is a resounding historic success for South Africa who led an effective and intense lobbying process to ensure the final adoption of this Agreement which took 30 years for countries to finally adopt. Providing safety and secure waters is one of the primary roles of the South African Maritime Safety Authority.

In this regard, R15 million has been allocated to reduce deaths at sea and rescue human life through the Maritime Rescue Coordination Centre (MRCC).

We are mindful of our commitments as a country towards the achievement of the targets encompassed in the United Nations Decade of Action for Road Safety, but more so our duty to provide a safe environment to all our citizens. As a department of transport we do have an operational 2006 National Road Safety Strategy which is based on the objectives of the Millennium Development Goals and other policy precepts.

However, as there have been major developments with the UN Decade of Action 2011-2020 and the NDP, we are reviewing the National Road Safety Strategy. We have come up with a plan to implement the 365 Days Road Safety Programme throughout the country.

Our road safety approach is comprehensive, coordinated, inclusive and integrated, and has effectively addressed and

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dealt with the challenge of fragmentation and duplication of functions between the Department and its agencies.

We are spearheading the construction of pedestrian bridges, sidewalks and speed-calming measures in rural areas and townships. The Department will also introduce measures aimed at reducing fatalities caused by stray animals. We are also looking at the number of law enforcement officers, and the capacity of critical road agencies.

The Road Traffic Infringement Agency (RTIA) has crafted a practical and efficient plan to embark on the national roll-out of AARTO in this current financial year. This roll-out will be preceded by the AARTO National Summit, planned to be hosted by the RTIA and the Department in 2013. For the Road Accident Fund (RAF), the enactment and implementation of the Road Accident Benefit Scheme (RABS) legislation will signal a major policy shift in post-apartheid South Africa.

The new dispensation will present an opportunity for the simplification of the claims process by removing the burden to prove guilt or contributory fault on the part of another driver.

During the 2012/2013 financial year, the Road Accident Fund saw a conscious improvement in customer-centricity, with initiatives such as the "RAF on the Road" campaign. The last "RAF on the Road" campaign seeks to cut the time spent and distances travelled by people to process claims. It also prevents claimants from being cheated by unscrupulous legal processes.

RAIL

One of our priority areas is rail safety; we are seriously concerned and affected by rail related accidents which claim lives in numbers. Rail fatalities in South Africa are yet another silent killer, except when many people are involved. Through PRASA's rolling stock programme we aim to improve public transport safety and efficiency, as a significant number of our commuters rely heavily on rail transport.

The Department is working hard with PRASA and the Rail Safety Regulator in making sure that our commuters are provided with the best safety in trains travelling in various provinces and routes.

AVIATION

To promote environmental protection, ATNS is currently in the implementation phase of the sustainability and climate strategy and environmental plan. ATNS has allocated R385 million to rigorously upgrade the communication, navigation and surveillance infrastructure.

The national government, through the Department of Transport and the South African Civil Aviation Authority (SACAA), bears responsibility for the safety and security of the entire network of airports, in terms of legislation and international conventions on safety and security. To enhance organizational efficiencies and address the challenge presented by manual record-keeping, SACAA will be moving to an integrated Electronic Business System (EBS).

In July 2013, SACAA participated and passed the International Civil Aviation Organization (ICAO) safety and security audit. This audit is a prerequisite for South Africa as a member state to be internationally recognized and given a clear status on civil aviation safety and security. We want to assure South Africa that SACAA is ready for the audit.

The ongoing collaboration and cooperation between US-TSA and the South African Civil Aviation Authority (SACAA) is critical to the enhancement of international air cargo security. This recognition agreement is the first on the continent and a major milestone in terms of cooperation with other states on aviation security matters.

South Africa, through SACAA, has been appointed as Vice-Chair for the ICAO/CAPSCA Technical Advisor Programme for the African Continent. This is in line with the requirement to ensure Africa's presence in all aviation structures, in the interest of a safer Africa.

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for the year ended 31 March 2013

Further to South Africa being a member state and council member at the ICAO, our country has been newly elected as Vice Chairman of the Aviation Security Panel for the period April 2013 to March 2014. This election implies that we are able to influence the agenda on aviation security matters globally.

Women Empowerment

The transport sector is one of the most male dominated industries – whether it be road, rail, maritime or aviation – the same phenomena prevail. To this end, we formed a Women's Forum within the Department within which there is an Advisory Committee that deals on a day-to-day basis with, amongst others, women empowerment, transformation, skills and capacity development as well as equity matters.

We have revived the South African National Women in Transport (SANWIT) project, which is an all-modes-inclusive structure that drives the emancipation of women into the economic development agenda in the transport sector.

Women in Rail

One of our outstanding initiatives for women empowerment is the Women in Rail Programme which is PRASA's response to the broader government agenda on economic inclusion of women. Through this programme we aim to improve representation and facilitate technical skills development and support.

The Women in Rail (WIR) Programme is allocated R1 billion, and as its patron, we have committed to provide leadership and close monitoring where necessary. During 2012/2013, SANRAL trained 21 034 people in road-building projects at a cost of about R23 million, of which 9 470 were women. The Department of Transport and its agencies took decisive actions to invest heavily in the development and promotion of critical skills in the various sectors.

In this regard, we have established Centres of Development (CODs) which constitute 13 universities. We have also developed and introduced the Transport Curriculum in eight Further Education and Training (FET) Colleges. SACAA, ATNS and ACSA will together invest R52,4 million on a robust scarce and critical aviation skills development programme. To further address the challenge of attraction and retention of skills in the aviation industry, SACAA has entered into an agreement with the University of Pretoria to participate in the training of students in aerospace medicine, and the first 10 degrees were conferred in March 2013.

Our aviation agencies, in conjunction with the Department of Transport and relevant stakeholders, are currently developing an all-inclusive Civil Aviation Transformation Strategy; which is the first in the country, and aimed at addressing transformation issues which currently record a devastating figure of about 4% pilot licence holders being from previously disadvantaged individuals (PDIs).

In this regard, on 08 August 2013, the DoT hosted a ground-breaking Letsema in Gauteng with the intention of forging closer working relations between ourselves towards the growth and transformation of the aviation industry, and yes, we can! Key investments in our infrastructure, such as the much maligned but highly successful Gauteng Freeway Improvement Project (GFIP), will continue to drive South Africa's growth and cement our position as Africa's economic leader – a position we have to work hard for.



Ms Sindisiwe Chikunga (MP)
Deputy Minister of Transport

GENERAL INFORMATION

for the year ended 31 March 2013

1.7 OVERVIEW OF THE ACCOUNTING OFFICER



Dr. Maria du Toit
Acting Director-General
Department of Transport

Policy Interpretation

The Department of Transport is responsible for overseeing how the effective implementation of transport legislation, policies and programmes that are aimed to better the lives of our people and stimulate social and economic growth, is enhanced. It has a mandate to oversee the implementation of projects by the entities under its ambit.

As we strive to advance this mandate, we cannot ignore the global and domestic economic challenges which have a direct and indirect impact on South Africa's broad performance on economic growth. We, however, have the view that in spite of various challenges, we are bound to carry out responsibilities that should improve our lives, such as infrastructure development, rural development, and safe, reliable and sustainable transportation services. Through this we need to reflect the objectives and vision of the National Development Plan.

In the light of current economic issues, our focus is to ameliorate investment opportunities, job creation and economic growth. We remain determined that, through various rail and road projects, our 2012/2013 financial year should be able to create a significant number

of jobs. Through the PICC's Strategic Infrastructure Projects (SIP2 and SIP4) our vision to have a transformed transport system is a dream come true.

The National Travel Survey of 2005 and the Public Transport Strategy that Cabinet approved in 2006 are documents that are at the core of our planning and will guide us in delivering a sustainable and efficient public transport system that should enhance South Africans to realize the benefits of their independence. Through the Presidential Infrastructure Coordination Commission (PICC) and the Infrastructure Development Cluster (IDC), we remain committed to building infrastructure in roads; ports, rail, energy and telecommunication as part of South Africa's infrastructure spend objectives of billions of rand over the next five years. As our road network is marked to grow and the proclaimed network standing at over 535 000 km, we anticipate that SANRAL, municipalities and provinces will work together to develop a sound and sustainable road network.

Public Transport

As part of South Africa's Public Transport Strategy (PTS) we are moving towards an improved quality integrated Mass Rapid Public Transport Network which includes rail, taxi and bus services.

The intention and objectives of the White Paper on National Transport Policy, Moving South Africa and the Public Transport Strategy are the provision of public transport that is reliable, affordable, safe and integrated, and that meets customer needs.

Integrated Public Transport Networks

We have integrated public transport networks which are being rolled out in 12 cities, namely Johannesburg, Cape Town, Tshwane, Nelson Mandela Bay, Buffalo City, Mangaung, eThekweni, Polokwane, Mbombela, Rustenburg, Pietermaritzburg and Ekurhuleni.

Rail infrastructure

We are embarking on a comprehensive rail upgrade that intends placing rail at the centre of our freight and commuter movement. As rail is the future backbone of our public transport system, we will, over the next few years, invest billions of rand in passenger rail infrastructure and services.

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Our major challenge is that the bulk of our rail infrastructure has reached the end of its economic lifespan. New investments in new infrastructure which include signalling and rolling stock are an absolute necessity that will go a long way in positioning rail as the mode of choice, and a reliable and efficient mass mover in both the commuter and long-distance space.

Recapitalizing the rail business of the Passenger Rail Agency of South Africa (PRASA) also means that we must reinvest in both the existing rail network and in new lines in order to respond in a decisive way to new post-apartheid spatial and economic dynamics. A focused rail revitalization programme will become a key activity over the medium term, working with other departments in the economic cluster, and with our domestic and international partners in the private sector.

Road safety

Road safety remains a key challenge faced by the Department and society as a whole. The implementation of the United Nations Decade of Action for Road Safety will enable us to reduce road fatalities which remain one of our priority areas of concern. Our experience to date is that road safety campaigns must be conducted throughout the year through the 365 Days Road Safety Programme. We have to be more stringent in the application of regulations that regulate road transport operations, law enforcement on issues such as vehicle and driver fitness, driver hours behind the wheel, and speed. The implementation of these measures must be regarded as a priority by provincial and local authorities.

Rapid public transport infrastructure

A good transport infrastructure is a driver of economic growth and development. In the past few years, significant strides have been made to improve public transport across the country, especially in metropolitan areas. Johannesburg and Cape Town attest to this. It is important that the roll-out of infrastructure is not just confined to the major urban and metropolitan areas. We have a responsibility to redress the apartheid spatial patterns.

Through the Sihamba Sonke project we envisage to speed up the creation of jobs. Consultations with the provinces are ongoing; this includes the audit of roads that require maintenance. A consolidated national strategy will be completed in the near future. Plans are also underway to engage the taxi industry to find ways to enhance the economic efficiency of the industry. The Department is considering innovative ways to ensure that the taxi industry also benefits from the bus subsidies.

Freight Logistics and Industrial Corridor Development

Freight Logistics forms a very important element of the economic growth in the country, the SADC, the African Continent and the Global Village. In this regard, we undertake various freight logistics programmes.

As part of this planning process, freight logistics is taking centre stage, in that it forms part of the overall integrated planning objective as articulated in the planning document. The plan has identified key freight corridors within South Africa linking them to SADC and the overall Continent. This therefore enhances the streamlining process of freight flows across the borders within the country, its regions and the Continent.

Durban-Free State-Gauteng Logistics and Industrial Corridor

Through the Port of Durban as the gateway port for Africa, the Durban-Free State-Gauteng Logistics and Industrial Corridor remains a critical corridor for Africa. Its institutionalization forms part of the following workstreams:

- The Planning and Infrastructure Workstream, which deals with identification of infrastructure projects, planning thereof and the implementation process. Key to these projects is the Port of Durban expansion, and in this regard, the Old Durban Airport sale between Transnet and ACSA has been finalized.
- The development of the Cato Ridge area suitable to a logistics developmental environment, with the intention to contribute to the value chain within the corridor.
- The Harrismith Freight Logistics Conceptual Framework, suitable to be a strategic area for freight distribution and industrialization towards the upliftment of the livelihood of the community within the area and traffic

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growth to the corridor.

- The City Deep Container Terminal as a Regional Hub for Africa and the various options for its expansion, e.g. Centarand, Tambo-Springs, etc. and all other strategic inland terminals around the Gauteng province.
- Policy, Regulation and Environment Workstream, which deals with generic policy intervention and decision, which might impact on regional freight flow and environmental issues.
- Funding and Finance Workstream, which is currently developing a funding framework for this important corridor, which options might need to be shared with strategic stakeholders within the Continent.
- The Communication Workstream, of which the core function and responsibility is to develop an aligned and expanded internal and external communication strategy for the corridor to encapsulate issues of the African Transport Agenda.

It is therefore imperative that this corridor be seen as one of the busiest in the Southern Hemisphere both in terms of value and tonnage, and the critical role it would play in complimenting the regional and continental sea ports as well as inland ports and landlocked countries within Africa.

Maritime safety and industrial development

Maritime safety remains one of the key strategic focus areas. The Department has identified the need to upgrade the existing infrastructure along our coast to ensure the safety of life at sea. Various options are being considered to create a lasting solution. At the same time, the Department is developing a set of policies to increase investment and economic participation in the maritime shipping environment. We need to create an enabling environment for South Africans to participate actively in the entire value chain of the shipping business and industry.

Aviation

South Africa's aviation services are premised on the work of the South African Civil Aviation Authority, the Air Traffic Navigation Services and the Airports Company South Africa.

These three entities have an obligation to ensure that aviation safety and security, airports infrastructure development and air navigation services are efficiently carried out. The development and promotion of our air transport industry is dependent partly on the review of the current Airlift Strategy that was a 5-year strategy which has become a priority. The strategy will review an analysis that includes successes, challenges and obstacles faced in its implementation with a view of mitigating these challenges in the future.

Regulatory framework and institutional capacity

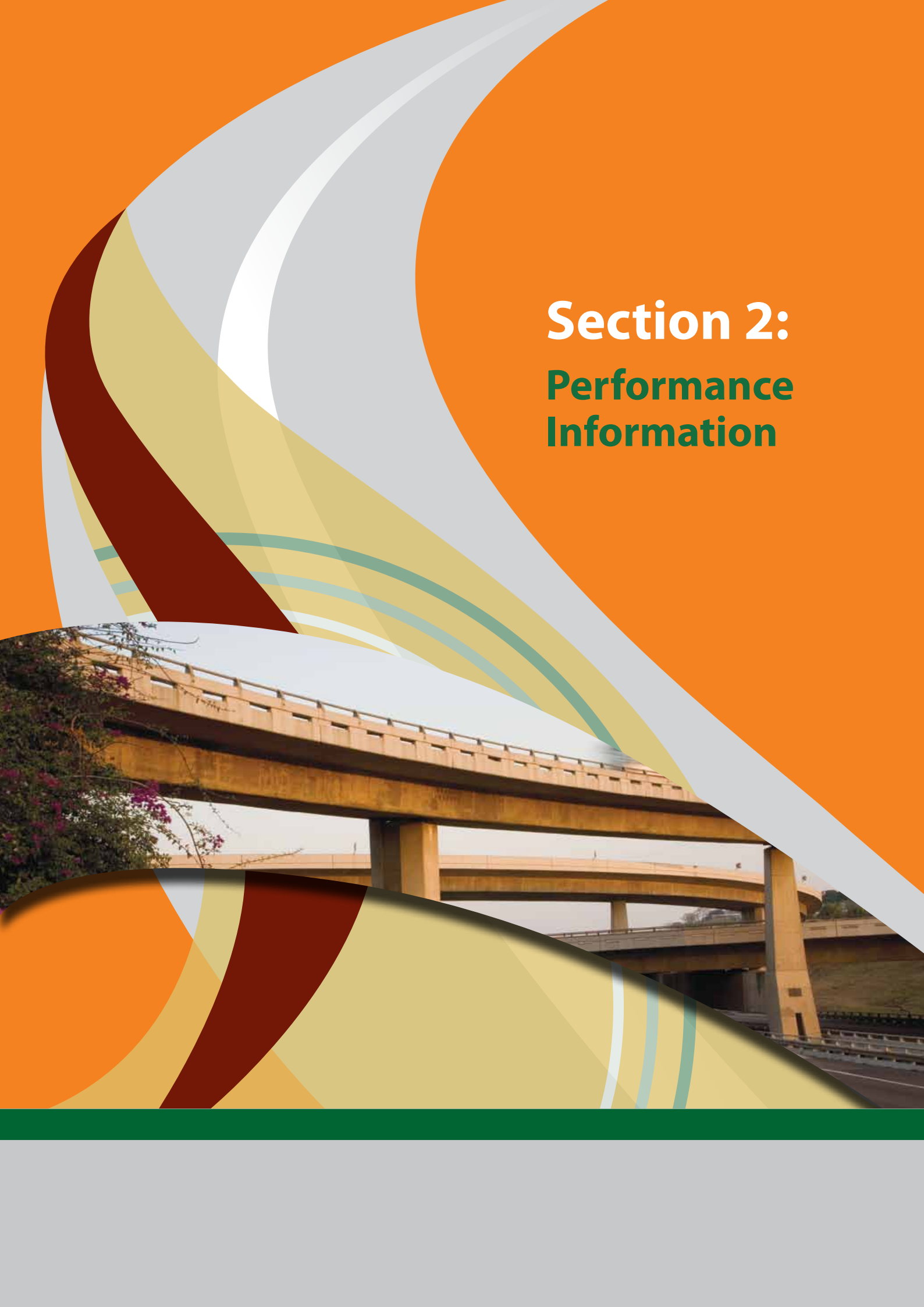
As transport is one of the most regulated industries in the economy, regulation becomes important for a number of reasons, including promoting efficiency, the safety of citizens, effective competition, and the provision of quality and affordable services. At the moment there are several regulators involved in the transport industry, and overlaps have been noted in terms of their mandates.

In order to streamline the regulatory model, the Department is investigating a new model which may entail merging various regulators. The outcome of this will be informed by studies being undertaken. This will also allow us to harmonize the regulation of tariffs across the transport industry, drawing lessons from established practices in energy, water and communications.



Dr Maria du Toit
Acting Director-General
Department of Transport

Date: 31 July 2013



Section 2: **Performance** **Information**



PERFORMANCE INFORMATION

for the year ended 31 March 2013

2.1 STATEMENT OF RESPONSIBILITY FOR PERFORMANCE INFORMATION FOR THE YEAR ENDED 31 MARCH 2013

The Acting Director-General is responsible for the preparation of the National Department of Transport's performance information and for the judgments made in this information.

The Acting Director-General is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of performance information.

In my opinion, the performance information fairly reflects the actual achievements against planned objectives, indicators and targets as per the strategic and annual performance plan of the Department for the financial year ended 31 March 2013.

The Department's performance information for the year ended 31 March 2013 has been examined by the external auditors and their report is presented on page 159.

The performance information of the Department set out on page 21 to page 101 was approved by the Executive Authority.



Dr. Maria Du Toit
Acting Director-General
National Department of Transport

Date: 31 July 2013

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for the year ended 31 March 2013

2.2 OVERVIEW OF DEPARTMENTAL PERFORMANCE

Service delivery environment

This report is presented against the backdrop of major strides made in various areas with regard to transport. Challenges related to public transport infrastructure and services remain daunting. In the 2011-14 Strategic Plan, the Department has taken a simplified strategic approach involving catalytic projects and regulatory issues. The programme structure has been modified by grouping related functions together, resulting in seven programme modes. These are Road Transport, Public Transport, Civil Aviation, Maritime Transport, Rail Transport, Integrated Transport Planning, and Transport Information Systems. The Department is of the view that these programmes not only set the agenda for the Department of Transport, but become sector-specific, including transport entities, provinces, municipalities and key private sector stakeholders. This approach suggests a need for convergence among all the stakeholders, and a seamless alignment in their delivery models. As part of this process, the Department has been engaging with provinces and local government in an attempt to streamline this approach and ensure responsiveness to realities on the ground.

Programme 1: Administration

This programme deals with key subjective weaknesses, challenges and issues within the entire sector, mainly organizational capacity challenges. These include, amongst others:

- Programme coordination across the sector
- Enterprise portfolio management (Project Management Unit)
- Critical sector information for decision-making
- Repositioning the Department in order to provide leadership in the sector

In this sector, various interventions have been identified. These include the Department's regulatory capacity in economic tariffs and safety across all modes, aimed at creating an environment conducive to increasing investment in this sector. Through the Corporate Services Programme, there is a need to define and better coordinate the Department's investment agenda which will in turn create certainty to the market and relevant investment for coordination and support of programmes and projects within the transport sector. Underfunding; increasing import costs, funding pressures and difficulties in critical areas such as engineering, project management and financial management remain a major challenge faced by transport entities.

Programme 2: Integrated Planning and Development

This programme is the heart of the sector and is responsible for the articulation of short, medium and long-term transport plans. There is a need to develop a shared agenda for the transport sector. This programme identified catalytic projects that would ensure that the sector delivers on its mandate. These include the following:

- Our planning term up to 2014
- Until 2025 – linked to the National Planning Horizon
- Transport Planning until 2050
- Investment and funding strategies
- Job creation and skills required
- Safety and regulatory issues
- Sector performance measures and instruments.

Programme 3: Rail Programme

This programme is responsible for the coordination and development of sustainable rail transport policies, rail economic and safety regulations, infrastructure development strategies and systems that reduce logistical costs and improve customer service.

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for the year ended 31 March 2013

This programme also monitors and oversees the Railway Safety Regulator (RSR) and the Passenger Rail Agency of South Africa (PRASA). The key strategic objectives of the programme are as follows:

- Upgrade and extend priority commuter rail corridors;
- Enhance the efficiencies and reliability of the rail transport sector;
- Ensure a safe railway and conducive regulatory environment; and
- Create jobs through manufacturing and maintenance in the rail sector.

During 2012/2013, PRASA delivered 540 million commuter trips through Metrorail, 1,4 million passenger trips through Mainline Passenger Services (MLPS) and 3,1 million long-distance bus passenger trips through Autopax. Urban commuter rail services cover more than 15% of the rail network in South Africa and currently provide over 2 million passenger trips every weekday within six metropolitan centres: Witwatersrand, Pretoria, Cape Town, Durban, Port Elizabeth and East London.

Significant achievements have been made towards outcome 6: An efficient, competitive and responsive economic infrastructure network, which relates to the Departmental outcome 5 of increased contribution to job creation. The procurement programme for the acquisition of new rolling stock follows the fleet programme process as set out in the government's Industrial Policy Action Plan (IPAP II). In December 2012, the preferred bidder for the design, manufacture and supply of new rolling stock fleet was announced. The bid will offer 3 600 vehicles delivered over a 10-year period (2015 to 2025), and creating 8 088 new direct jobs with a 69% local content by year 2.

The RSR has made significant achievements in establishing a railway safety regulatory framework. The regulatory obligations have in turn been embraced by railway operators in implementing their safety management systems. Progress has been made towards outcome 6: An efficient, competitive and responsive economic infrastructure network, which relates to the Departmental outcome 2 of a transport sector that is safe and secure. The 2011/12 State of Railway Safety report was presented to Cabinet in September 2012 and showed that there was a reduction in derailments by 11%, and collisions between trains and road vehicles were reduced by 26.6% compared to the previous year.

Programme 4: Road Transport

Since 1994, government has worked on more than 600 000 km of new roads. The Gauteng Freeway Improvement Scheme, which played a crucial role during the hosting of the 2010 FIFA World Cup in reducing traffic congestion between OR Tambo International Airport and Tshwane and between Johannesburg and Tshwane, will continue to play a major role in the transportation of people between the two cities. Delays in the implementation of the collection of tolls have had a negative impact on the credit ratings for SANRAL and continue to threaten the socio-economic stability of the country. However, progress has been made in addressing challenges that were identified by stakeholders in the sector and implementation is expected to commence in the 2013/14 financial year.

Rural roads in most of the provinces have been upgraded and constructed through labour intensive programmes. The Road Transport Programme is responsible for the coordination of our road infrastructure and traffic regulation functions. The Department has also mobilized other agencies like the Development Bank of Southern Africa (DBSA), the Council for Scientific and Industrial Research (CSIR) to be part of the Roads team charged with the responsibility of conceptualizing innovative solutions ranging from road infrastructure network funding to road maintenance. As we continue with the execution of our mandate, it is essential that we complete the synchronization of our projects and processes and also identify skills and capacity gaps throughout the delivery chain. Implementation of the following three flagship projects is underway:

- S'hamba Sonke Programme
- Establishment of Road Safety Councils
- Enforcement Campaign

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The implementation of the Road Infrastructure Strategic Framework for South Africa (RISFSA), including the roll-out of an Asset Management System and the classification of the road network is underway. There are four big challenges within the road sector that the Department intends tackling over the medium term. These are:

- Ongoing and increased funding for Roads and Traffic Management
- Reducing road fatalities
- Implementation of AARTO
- Capacity building for road infrastructure maintenance at district and municipal levels.

Programme 5: Aviation

Aviation plays a very important role in economic development and tourism enhancement for international travellers. Our emphasis regarding the implementation of the Airlift Strategy and the Yamoussoukro Decision remains a priority in the aviation planning environment. This programme is responsible for the coordination of aviation infrastructure and operations.

Agencies sharing this responsibility are the Civil Aviation Authority of South Africa, Airports Company of South Africa, Air Traffic Navigation Services and the Regulation Committee. Challenges within the aviation sector include:

- Review and implementation of the Yamassoukrou Declaration
- Implementation of the Airports Development Plan

Identified areas of improvement in the sector are;

- Review and implementation of the Yamassoukrou Declaration
- Implementation of the Airports Development Plan

Identified areas of improvement in the sector are:

- Capacity challenges
- Convergence framework
- Strategic Lekgotla decisions required
- Institutional Reform
- Proposed future funding frameworks
- Standards/performance measures and sector performance
- Technical, community, economic growth and job creation
- Implementation and coordination of urban integration; corridor development strategies, capacity development, skills development, technology and programme management.

Programme 6: Maritime

This programme is responsible for maritime and ports development. It deals with the economic and safety regulatory issues, ports, coastal and shipping development. Its overall responsibility includes the general development of our maritime sector. It shares its responsibility with the South African Maritime and Safety Authority, the Ports Regulator and Transnet.

Challenges in the Maritime Sector include:

- No maritime policy for South Africa; we therefore cannot develop strategies and programmes
- We are still to finalize the African Maritime Charter which was adopted by the African Union Summit which took place during our October Transport Month 2009
- Coordination of roles and responsibilities on the National Ports Acts between the DoT, Department of Public Enterprises, Transnet and other stakeholders has not been resolved

Other key strategic issues:

- How to promote coastal shipping and coastal trading;

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for the year ended 31 March 2013

- How to promote local shipping and the development of a local register; and
- How do we position ourselves as a country which is regarded as an important gateway to Africa.

Programme 7: Public Transport

More than 65% of South Africans use public transport every day. This compels our rail, bus and taxi services to be affordable, efficient, safe and sustainable. The Public Transport Programme is responsible for the coordination of our public transport infrastructure and operations. This responsibility is also shared with provinces, municipalities, and the soon to be established National Public Transport Regulator. Strategic partners will be the Development Bank of Southern Africa, the Industrial Development Corporation, SANTACO, SA BOA and emerging bus organizations. Our observations have reflected key strategic issues that require attention, and these are:

- Critical review and implementation of the National Land Transport Act, particularly the allocation of functions and responsibilities;
- Resolution of the outstanding conversion of operating licences for taxis and buses;
- Coordination programme for new contracts for Public Transport Operation Grants (PTOGs);
- Review of the Public Transport Funding Framework – Public Transport Operation Grant, Taxi Recapitalization Programme and Public Transport Infrastructure and Systems (PTIS) Grant; and
- A Public Transport Empowerment Programme, specifically for the taxi industry and Small Bus Operators.

Service Delivery Improvement Plan

Main services provided and standards

Main service	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Driver's licences Licence Testing Centre (DLTC) Renewals, new applications for learner's tests, driver's tests, replacements for lost/stolen documents	The public, students, scholars South African citizens, foreigners	Pupils just turned sixteen	Based on Batho Pele Principles: Location and accessibility; visibility and signage; queue management and waiting times; dignified treatment; cleanliness; comfort and safety; complaint management system; sector-specific standards; minimum service standards for DLTCs	Monitoring and evaluation at 18 DLTCs in four provinces: Mpumalanga, Free State, Northern Cape Limpopo and Gauteng Monitoring and evaluation of the standard of services in DLTCs. Identified common challenges in testing centres. Compiled dashboard reports. Compiled final provincial DLTC reports

Consultation arrangements with customers

Type of arrangement	Actual customers	Potential customers	Actual achievement against standards
Helpdesks and/or information centres in DLTCs	All customers attending DLTCs	Pupils just turned sixteen	Complaints are addressed and attended to Providing guidance to customers on how application forms should be completed Guidance and assistance are available to point customers to the right queue

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for the year ended 31 March 2013

Service delivery access strategy

Access strategy	Actual achievements
Accessibility	Some towns have clear directional signage to DLTCs Easy access to DLTCs: many DLTCs are located in surrounding communities and Central Business Districts
Ramps	The elderly and disabled people are able to access DLTCs as ramps have been built at entrances Special treatment given to the elderly and people with disabilities
Access control to staff areas	At most stations there is good access control to cashiers workstations

Service information tool

Access strategy	Actual achievements
Interviews	Organizational development team interviewed Station Managers, Chief Licensing Officers, staff and customers
	Interviews outlined challenges faced by DLTCs
	Customers provided valuable information that will assist in making progress towards Service Delivery.
Questionnaires	OD team distributed questionnaires to customers.

Complaints mechanism

Access strategy	Actual achievements
Complaint Management System	Staff are able to write letters of grievance or requests to the relevant municipalities, provincial and national departments of Transport
Suggestion box	Customer complaints are raised anonymously
	Only one Station Manager meets with his staff once a week to address queries
	Customers are given feedback on how services can be improved

Organizational environment

The new DoT organizational structure created 96 posts on the new organizational structure, which resulted in an increase of the staff complement from 677 to 773. The roll-out of the new organogram resulted in the vacancy rate being reduced from 33% to 26.78%. There are, however, still some challenges with regard to Employment Equity at SMS level. Disability status is at 1.9%.

There has been 77% compliance with the submission of performance agreements, and 43% with regard to half-yearly reviews. Lack of total buy-in from top management is identified as the real cause for failure to achieve 100%. Disciplinary steps will be taken against those who fail to comply.

Labour relations have proven to be very effective and efficient. This resulted in five policies being adopted at DBC.

An HR plan, developed along the lines of the new structure, was developed and approved by the Minister, and then submitted to the DPSA. It is currently being implemented. The secondment of employees to DoT agencies and provincial departments may be good to support the agencies and provincial transport departments. However, its unintended consequences result in shortage of capacity of HR in the Department.

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The implementation of the transport sector HRD strategy is underway with the total training interventions attended by 438 (85%) officials. The Workplace Skills Plan was developed and is currently being implemented. The Department has noted an improvement with regard to staff attending skills development interventions. There is a total number of 438 staff, with 293 being at lower levels, and 46 JMS, 48 MMS and 51 SMS members. The DPSA threshold of employing interns based on total filled posts on the establishment is 5%. This figure was exceeded by 8%, resulting in a total of 13% of interns that were employed in the Department in 2012.

In addition, the skills development programme in the transport sector has seen the registration of 527 students to Centres of Development. More than 227 students have recently graduated. In as much as there are more funds required for the programme to enrol more students, the high drop-out level remains a critical matter. The number of those registered continued to grow to 527 in 2011, from 349 in the preceding year. All draft chapters of the transport sector strategy have been finalized. Through the Technology Research Activity Centres, 462 984 learners have been exposed to the programme.

Key policy developments and legislative changes

Envisaged Legislative Changes

The Department of Transport is responsible for maximizing the contribution of transport to the economic and social development goals of the society by providing fully integrated transport operations and infrastructure.

a) National Land Transport Act, 2009 (Act No 5 of 2009)

The Act provides for the further transformation and restructuring of public transport planning and regulation. It takes forward policy initiated by the National Land Transport Transition Act, 2000 (Act No. 22 of 2000), and it seeks to further empower the role of the municipal sphere in the provision of public transport.

b) Civil Aviation Act, 2009 (Act No. 13 of 2009)

The Act gives effect to the Republic's obligation to comply with the Regulations of the International Civil Aviation Organization (ICAO). The Act provides for the establishment of a South African Civil Aviation Authority with safety and security oversight functions, and the establishment of an independent Aviation Safety Investigation Board in compliance with Annex 13 of the Chicago Convention.

Legislative Changes Envisaged in 2012/2013

a) Merchant Shipping (Civil Liability Convention Bill)

The purpose of this Bill is to enact the International Maritime Organization Protocol of 1992; to amend the International Convention on Civil Liability for Oil Pollution Damage of 29 November 1969 into law and to provide for matters connected therewith. The Bill creates the legal liability of the ship owner in the event of oil pollution in the sea.

b) Merchant Shipping (International Oil Pollution Compensation fund) (Contributions) Bill

The purpose of the Bill is to impose contributions on persons contemplated in Article 10 of the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1992, and to provide for matters connected therewith.

The contributions by the ship owner will be used to pay for damages caused by oil spillage and also when the ship owner cannot satisfactorily compensate for the damages caused. The contribution will be used to pay the cleaning of the oil spill.

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for the year ended 31 March 2013

c) *Merchant Shipping (International Oil Pollution Compensation Fund) Bill*

The purpose of this Bill is to enact the International Maritime Organization Protocol of 1992: to amend the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage of 18 December 1971 into law. The Bill was published for public comments and was subsequently referred to the office of the State Law Advisers for scrutiny.

d) *South African Maritime and Aeronautical Search and Rescue Amendment Bill*

To incorporate the International Maritime Search and Rescue Act, 2002 (Act No. 44 of 2002); to give effect to the structural changes introduced to the South African Aeronautical Search and Rescue Organization. The purpose of this Bill is to harmonize the working relationship of committees as required by the organization, to align certain sections of the principal Act, to make way for the Act to comply with the current developments.

e) *Maritime Transport Security Bill*

The Bill proposes to repeal and replace the existing Merchant Shipping (Maritime Security) Regulations, 2004, made under the Merchant Shipping Act, 1951. The Bill's main purpose is to safeguard against unlawful interference with maritime transport. It seeks to achieve this purpose by continuing the risk-based and outcome focused approach, first adopted in the 2004 regulations, of a regulatory scheme centred on the development of security plans for ships, ports, offshore facilities and other maritime transport operations.

f) *Merchant Shipping Amendment Bill*

The Bill's main object is to revise the limitation of liability provision; to modernize the law relating to ship owner's limitation by introducing a provision that is consistent with the provision of the 1976 Convention on Limitation of Liability for maritime claims and its 1996 Protocol; to introduce compulsory accident insurance for seafarers who suffered death or personal injury as a result of workplace accidents; and to give effect to the International Maritime Labour Convention. Once the convention is ratified by the Department of Labour, the Bill will then be introduced as it gives effect to the aforementioned Convention.

g) *Transport Law Enforcement and Related Matters Amendment Bill*

The Bill seeks to improve and facilitate law enforcement measures for collections of tolls; and to include offences relating to the non-payment of tolls in the AARTO system.

h) *National Road Traffic Amendment Bill*

This Bill addresses issues relating to the fitness of drivers; to address registrations and grading of licence testing centres; and to deal with matters connected therewith.

i) *Merchant Shipping (Safe Containers) Convention Bill*

The purpose of the Bill is to give effect to the International Convention for Safe Containers and for related matters. The Bill will maintain a high level of safety of human life in the transport and handling of containers by providing generally acceptable test procedure and related strength requirements. The Bill will facilitate transport of containers by providing uniform internal safety regulations, equally applicable to all modes of surface transport.

j) *South African Maritime Authority Amendment Bill*

This Bill amends the South African Maritime Safety Authority Act, 1998 (Act No. 5 of 1998). The Bill's purpose, generally, is to improve the functioning of the Authority and to harmonize the provisions of the principal Act with those of the current legislative developments

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The following policies were under consideration during the year in review:

- National Rail Policy
- National Scholar Policy
- National Non-Motorized Policy
- Maritime Policy
- National Aviation Policy
- National Road Transport Policy

The following pieces of legislation were tabled in Parliament during the 2012/2013 financial year:

- Road Accident Fund (Transitional Provisions) Act, 2012 (Act No. 15 of 2012)
- South African Maritime and Aeronautical Search and Rescue Amendment Bill
- Transport Laws and Related Matters Amendment Bill
- Merchant Shipping Safe Containers Act 2011 (Act No. 10 of 2011)

2.3 STRATEGIC OUTCOME-ORIENTED GOALS

Strategic outcome-orientated goals

The Cabinet Lekgotla held from 20 to 22 January 2010 adopted the following 12 outcomes:

- Improved quality of basic education;
- A long and healthy life for all South Africans;
- All people in SA are and feel safe;
- Decent employment through inclusive economic growth;
- A skilled and capable workforce to support an inclusive growth path;
- An efficient, competitive and responsive economic infrastructure network;
- Vibrant, equitable and sustainable rural communities with food security for all;
- Sustainable human settlements and improved quality of household life;
- A responsive, accountable, effective and efficient local government system;
- Environmental assets and natural resources that are well protected and continually enhanced;
- Create a better SA and contribute to a better and safer Africa and the world; and
- An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship.

The Minister of Transport chairs Outcome 6 and has outlined the following areas in his performance and delivery agreement signed with the State President on 30 October 2010.

Ministerial Outputs

- Increase the market share of total freight to rail to an annualized 250 million tons from the current 178 million tons by 2014;
- Benchmarking cost of building and maintenance of roads to assess our efficiency and developing an appropriate funding model to ensure adequacy of supply and maintenance. An agreed methodology for assessing adequacy of supply is crucial to this output;
- Implementation of the Road Infrastructure Strategic Framework for South Africa (RISFSA);
- Implementation of the approved Rural Transport Strategy for South Africa;
- Road accident fatalities to come down from 14 600 by 2014 (a 5% per annum reduction) adjusted for total vehicle kilometres travelled;
- Ring-fencing of road maintenance funds, including construction and maintenance of rural roads;
- Development of Integrated Rapid Public Transport Networks (IRPTNs) in twelve cities and six rural districts;
- Completion of the Rail Policy and Rail Act;
- Establishment of a Rail Economic Regulator;

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- Implementation of the National Freight Logistic Strategy;
- 10% of the identified new investment in rail should be PPP projects;
- Introduce private operators at branch level (secondary rail network);
- Implement the National Ports Act and create transparent cross-subsidies between port and rail infrastructure; and
- Introduce competition for the management of containers.

Departmental Outcomes

- **An efficient and integrated transport infrastructure network for social and economic development**
The Department will ensure the maintenance and strategic expansion of the road network, and support the development of road asset management system in rural and provincial authorities. In addition, the Department will support rail and ports efficiency and enhance capacity and competitiveness.
- **A transport sector that is safe and secure**
The Department will implement various policy interventions that seek to reduce the number of incidents in the road, rail, aviation and maritime environment.
- **Improved rural access, infrastructure and mobility**
The Department will improve rural access by assisting municipalities in developing road asset management systems, which will assist in the implementation of the Road Infrastructure Strategic Framework of South Africa.
- **Improved public transport systems**
Public transport is a critical strategic imperative in the Department's service delivery agenda. Over the medium term, the Department will implement measures to ensure an effective, efficient, affordable and accessible public transport system in both urban and rural areas through, among others, the implementation of integrated public transport networks, and establishment and strengthening of regulatory entities, acquisition of new rail rolling stock, and development and upgrading of priority passenger rail corridors.
- **Increased contribution to job creation**
The Department will prioritize job creation through the implementation of an industry empowerment model, the finalization and approval of the maritime policy underpinned by industry development, and broad-based black economic empowerment (BEE).
- **Increased contribution of transport to environmental sustainability**
The Department will implement measures aimed at reducing the impact of transport on climate change by supporting more energy efficient modes of freight and passenger transport and promote the use of cleaner fuels.

2.4 PERFORMANCE INFORMATION BY PROGRAMME

Integrated Transport Planning

This branch is responsible for ensuring that all functional areas and spheres of government undertake transport planning in a seamlessly integrated way underpinned by core principles articulated in the National Strategic Planning Framework to guide all transport planning effort in the country.

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Transport Information Systems

This branch is responsible for the development and execution of plans to utilize technology as a strategic resource in the transport sector. Massive investment in mission critical systems like E-Natis and the National Land Transport Information System require coherent and long-term strategic platforms in order to maximize value. The branch will also be responsible for developing, maintaining and implementing standards relating to Intelligent Transport Systems for the country.

Rail Transport

This branch is responsible for regulating rail transport and implementing relevant policies in the exercise of economic and safety regulation, optimization of the use of rail infrastructure and industry development. The branch exercises oversight over the Passenger Rail Agency of South Africa (PRASA) and the Railway Safety Regulator.

Road Transport

This branch is responsible for road infrastructure development and maintenance, road traffic regulation and safety, industry development as well as road engineering and related standards. The branch exercises oversight over the South African National Roads Agency Limited (SANRAL), Road Accident Fund (RAF), Cross-Border Road Transport Agency (CBRTA), Road Traffic Management Corporation (RTMC), the Road Traffic Infringement Agency (RTIA) and the Driving License Card Entity.

Civil Aviation

This branch is responsible for exercising oversight over the civil aviation sector through regulation, monitoring and evaluation of economic and safety regulation of the industry. The branch exercises oversight over the South African Civil Aviation Authority (SACAA), Airports Company of South Africa (ACSA) and the Air Traffic Navigation Services (ATNS).

Maritime Transport

This branch is responsible for exercising oversight over the maritime transport sector through regulation, monitoring and evaluation of economic and safety regulation, industry development and development of strategies to empower South Africans in the maritime sector. The branch exercises oversight over the South African Maritime Safety Authority (SAMSA).

Public Transport

This branch is responsible for developing and implementing interventions that seek to promote public transport over private car use underpinned by Integrated Public Transport Networks that are seamlessly integrated across all modes. It will also regulate public transport and implement strategies aimed at accelerating industry development focusing on the minibus-taxi industry and small bus operators. The branch will exercise oversight over the National Public Transport Regulator.

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Strategic objectives, performance indicators planned targets and actual achievements

PROGRAMME I: ADMINISTRATION

Subprogramme: Enterprise Portfolio Management (PMU)					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance	
Completed national catalytic project portfolio list, aligned with Department's Infrastructure programme	A comprehensive project portfolio list, aligned to all (100%) of the Department's Infrastructure Programme	A comprehensive project portfolio list, aligned to all (100%) of the Department's Infrastructure Programme	A project portfolio list aligned to PRASA and ATNS programmes was completed	No variance	
Monitoring and Evaluation Tool for the Transport Sector	An approved M&T Tool for the Department	Conduct an M&E exercise for identified projects for identified in the catalytic project portfolio.	An online M&E tool has been developed, and is operational	No variance	
Develop a project assessment criteria and ranking tool	A project assessment criteria and ranking tool	Tool will be utilised for all existing projects and 30% utilisation for the new project pipeline	The project assessment and ranking tool was developed in full, and was piloted with current DoT strategic projects	No variance	
Completed national catalytic project portfolio list, aligned with Department's Infrastructure programme	A comprehensive project portfolio list, aligned to all (100%) of the Department's Infrastructure Programme	A comprehensive project portfolio list, aligned to all (100%) of the Department's Infrastructure Programme	A project portfolio list aligned to PRASA and ATNS programmes was completed	No variance	
A comprehensive and accurate record management system, in an appropriate, accessible electronic format	A comprehensive, catalogued record of relevant knowledge in the public transport and economic regulation sub-sectors	A comprehensive, catalogued record of relevant knowledge in the public transport and economic regulation sub-sectors	A tool is developed as part of the entire online project management system	No variance	
Subprogramme: Human Resource Management and Development					
Approved and implemented Departmental HR strategy	32% (235 of 737)	Reduced vacancy rate from 32% to 0% on the new structure	<ul style="list-style-type: none"> - The vacancy rate decreased from 33% to 26,78% - The appointment of contract employees was reduced from 104 to 54 on the new structure - Employment Equity: <ul style="list-style-type: none"> DDGs: F = 33%; M = 67% CDs: F = 42%; M = 58% Directors: F = 42%; M = 58% - Disability status is currently at 2% on filled posts 	Reduction from vacancy rate of 32% to 0% not achieved due to capacity constraints at SAQA and NIA	

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Subprogramme: Human Resource Management and Development				
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance
		100% compliance to PMDS requirements	<ul style="list-style-type: none"> - The PMDS and EPMDs are completely aligned - Performance Agreements and Assessments are done at the same time - Backlogs going back several years were dealt with - 77% of SMS members signed their performance agreements - 43% SMS submitted half-yearly performance reviews - 90% of lower levels signed and submitted their performance agreements - 86% lower levels submitted half-yearly performance reviews 	<ul style="list-style-type: none"> - Non-compliance with HR prescripts
		100% compliance with labour relations legislation and collective bargaining agreements	<ul style="list-style-type: none"> - Departmental Bargaining Council meetings have been held successfully - The relationship between employer and organized labour was commended by the GPSSC as very effective and efficient - 5 policies were tabled and adopted at the DBC - 10 out of 15 misconduct cases have been successfully concluded and 5 are pending - 12 grievances were lodged: 7 were concluded, 5 are pending 	No variance
		HR Plan for 2011 – 14 implemented	<ul style="list-style-type: none"> - HR Plan was developed and approved by Minister, submitted to DPSA, and implemented - Counter-offer policy was implemented for the retention of scarce and critical skills - Levels 1 – 8 posts were advertised internally giving internal candidates promotional opportunities - The establishment increased from 677 to 773 of which 541 positions are filled 	HR Plan for 2011 – 14 implemented

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Subprogramme: Human Resource Management and Development					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance	
		<ul style="list-style-type: none"> - All qualifications of staff verified as appointments are made - All outstanding qualifications are verified. 	<ul style="list-style-type: none"> - 100% qualifications for new employees were verified before their appointments - 98% verification has been done for existing staff 	Capacity constraints at SAQA	
Approved and implemented Transport Sector HRD Strategy		Approved WSP completed	The WSP was developed, finalised, approved by the DG and submitted to TETA and PSETA as required	No variance	
	3 chapters for Transport Sector HRD Strategy were drafted and submitted for approval	Approved Transport Sector HRD Strategy for the four modes of Transport	All chapters of the Transport Sector Strategy have been finalised and will go through the final stages of consultation for approval		
		(5% of the total establishment) trained through the internship programme	322 unemployed graduates were trained		
		Transport Educational Programmes	<ul style="list-style-type: none"> - 14 students registered in the Prague Scholarship Programme - 6 Prague Students graduated and were placed in: DoT (3), PRASA (1), Metrorail (2) for their internship - 876 students registered in the Centre of Development (COD) programme for 2012/2013, of which 212 graduated - 8 FET colleges are currently offering the Transport Curriculum. Initially 490 students were registered. The number increased to 1 037 in 2012/2013 	No Variance	

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Subprogramme: Human Resource Management and Development				
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance
Approved and implemented Transport sector HRD strategy. (Continued)			<ul style="list-style-type: none"> - 462 984 learners were exposed to Science, Technology and Mathematics in the 29 Transport Research Activity Centres (TRACs) (fixed and mobile laboratories) - TRAC learners registered in: <ul style="list-style-type: none"> - Science, Engineering and Technology (1 145) - B Eng (1 64) - BSC (1 69) - Diplomas in Engineering (356) - 10 educational outreach programmes were conducted across the provinces 	
Approved and implemented departmental Wellness and Organisational Development Strategy		Gender, disability, youth and children issues mainstreamed into the Department's programmes and strategies	<ul style="list-style-type: none"> - Coordinated the winter school for the youth - Coordinated the entrepreneurial workshop for disability learners - Transport Youth Development Strategy developed - Held 2 leadership seminars for DoT women - ToR and Action Plan for DoT Women's Forum developed and approved - Universal access in the travel chain workshop was held - A Women in Transport session was held. - All the international and national days were commemorated: - Conducted DoT men's day workshop that promoted International Men's day 	No variance

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Subprogramme: Human Resource Management and Development				
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance
Approved and implemented departmental Wellness and Organisational Development Strategy (<i>continued</i>)		Gender, disability, youth and children issues mainstreamed into the Department's programmes and strategies	<ul style="list-style-type: none"> - A seminar was held on the international day for persons with disabilities - DoT staff participated in the 67 Minutes to Commemorate Mandela Day - Compiled inputs for the Country Report on Disability 	
		Health and wellness calendar events commemorated	Health and wellness calendar events commemorated, e.g. Wellness Expo and Executive Wellness days were held, and parenting and pregnancy seminars were hosted	No variance
		Transport Sector Alcohol and Substance Abuse Plan developed	Draft Transport Sector Alcohol and Substance Abuse Mini-drug Master Plan (2012-2016) developed during the Transport Sector Forum held from 12 to 15 March 2013	No variance
		Batho-Pele Programme implemented	<ul style="list-style-type: none"> - Developed draft change management guidelines for the Department (for line managers, executives and leadership) - DoT represented at Batho Pele Forum workshops and meetings 	<ul style="list-style-type: none"> - Capacity constraints in the sub-programme

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Subprogramme: Corporate Management					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance	
Safe and secure working environment for DoT staff	<ul style="list-style-type: none"> - Physical security systems upgraded in Ministry - 60 x SMS security clearance forms sent to SSA - 179 pre-employment screening conducted - Emergency evacuation drill conducted - Achieved 79% compliance with NKP during SAPS security audit - 0% security incidents during DoT events and protest actions 	<ul style="list-style-type: none"> - Improved physical security - Pre-employment screening turnaround time reduced to five days 	<ul style="list-style-type: none"> - Security policies formulated and submitted for legal vetting - Security assessment conducted and access control improved - Achieved 83% compliance with NKP during SAPS security audit - 69% SMS complied with security vetting requirements - 0% security incidents during DoT events and protest actions 	<ul style="list-style-type: none"> - Building still under renovation to improve physical security 	
Quality secretariat services to the Department	100% provided secretariat services to high level meetings by attending all scheduled meetings, compiling minutes, drafting agendas and following up on decisions taken following up on decisions taken Developed the year calendar meetings	Quality secretariat services to high level committees	Provided 100% secretariat services to high level meetings by attending all scheduled meetings, compiling minutes, drafting agendas and following up on decisions taken	No variance	
Improved customer services in the provision of travel and office management	Negotiation with SAPS & DPW to have SAPS vacate the occupied offices	Delivery of customer-oriented office and facilities management services	<ul style="list-style-type: none"> - Additional accommodation obtained in the building to accommodate DoT staff - Revamp of the building is progressing according to the Project Plan - Extension of scope of cleaning contract approved for additional accommodation - A service provider (Bytes) has been appointed for the PABX system - Metrofile was appointed for off-site storage for DoT documents - Approval was also obtained for the extension of the contract scope 	No variance	

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Subprogramme: Corporate Management				
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance
Improved customer services in the provision of travel and office management (Continued)			<ul style="list-style-type: none"> - A combined semi-official and official cellular phone policy approved - Appointed new Travel Agent on 1 July 2012 - Conducted Customer Survey within processes on procuring travel requirements - Department received favourable response to questions relating to knowledge of the policy/contract; service standards in terms of SLA; customer relations 	
Operational fleet services across national and provincial departments	<ul style="list-style-type: none"> - Implemented contracts RT68/2010, RT62/2010 and RT57/2010–2011 - Contract RT57/2011–2012 appointed and implemented - Implementation road show for RT68 and RT62 - Appointment of a Transaction Advisor to conduct a feasibility study for a new PPP contract concluded 	Delivery of customer-oriented office and facilities management services	<ul style="list-style-type: none"> - End-user consultation and development of specifications for contracts RT46/2014 and RT57/2014–2015 - Feasibility study for the new PPP contract has commenced - All transversal contracts are operational 	No variance
Subprogramme: International Relations				
Effective coordination, facilitation, monitoring and evaluation of international (bilateral, trilateral, multilateral) engagements, in line with SA Foreign Policy Framework	<ul style="list-style-type: none"> - Cultivated countries and identified areas of cooperation, e.g. RSA and ICAO - MoU on Training in Aviation Disciplines signed 	Negotiate and sign at least 50% (incl. MoUs) with identified strategic countries	<ul style="list-style-type: none"> - Cultivated countries and identified areas of cooperation, e.g. South Sudan, South Korea, Benin, Panama, Uganda and others - Redrafted the North South Corridor MoU in conjunction with the DTI - Participated in the BRICS Summit - Participated in the SADC Committee of Ministers Responsible for Transport and Meteorology Meeting 	No variance.

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Subprogramme: International Relations				
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance
Effective coordination, facilitation, monitoring and evaluation of international (bilateral, trilateral, multilateral) engagements, in line with SA Foreign Policy Framework <i>(Continued)</i>			<ul style="list-style-type: none"> - Participated in Intergovernmental Trade and Economic Development Committee (ITEC) at the Tokyo International Conference on African Development (TICAD) - Participated in COP 18 - Participated in several bilateral engagements, e.g. Binational Commissions, Joint Commission of Cooperation and state visits - Successfully hosted the IMO Diplomatic Conference - Successfully hosted the African Renaissance Conference - Based on calendar of events: RSA/EU Summit - RSA/Benin Ministerial Meeting - RSA/DRC follow-up mission led by the Minister - Participated at UNFCC COP 18 - RSA/IMO Diplomatic Conference hosting agreement signed - RSA/Mozambique MoU on transport related matters finalised - RSA/Zimbabwe Agreement on transport related matters at final negotiation stage - RSA/Ghana MoU on transport related matters at final negotiation stage - RSA/Tanzania Agreement on transport related matters finalised - RSA/Russia MoU on Aviation Safety at final stage 	No variance.

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Subprogramme: Legal Services					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance	
Draft, amend and review legislation and process same to Parliament for debate and, once approved and signed by the President, proclaim the Act to be enforced	N/A	10	<ul style="list-style-type: none"> - The following 4 pieces of legislation were tabled in Parliament during the 2012/2013 financial year: <ul style="list-style-type: none"> - Road Accident Fund (Transitional Provisions) Act, 2012 (Act No. 15 of 2012) - South African Maritime and Aeronautical Search and Rescue Amendment Bill - Transport Laws and Related Matters Amendment Bill - Merchant Shipping Safe Containers Act 2011 (Act No. 10 of 2011) 	<ul style="list-style-type: none"> - Capacity constraints 	
Draft legal opinions and provide legislative advisory service to the Minister and the Department	N/A	Ongoing and dependent on the number of requests received	13 requests received and finalized	No variance	
Draft, amend and review regulations and process same for Minister's approval and thereafter enact the said regulations	N/A	Ongoing and dependent on the number of request received.	Drafted, amended and reviewed 7 regulations	No variance	
Correct and timeous assistance with the coordination of litigation	N/A	Ongoing and dependent on the number of requests received	Assisted and coordinated 53 cases of litigation	No variance	
Correct and timeous assistance with regard to the drafting, perusing and vetting of all contracts	N/A	Ongoing and dependent on the number of requests received	Assisted with drafting, perusing and vetting of 45 contracts	No variance	
Standardization and integration of governance processes, structures as well as practices in ensuring compliance with applicable legislation	N/A	Appointment of new members to 6 Boards - Appointment of 4 CEOs processed and finalized - Appointment of the Director: CAA, CEO: RAF, SAMSA and MD: ACSA processed and finalised	<ul style="list-style-type: none"> - New Non-executive Members/Directors were appointed to fill the vacancies on the Boards of CAA and ACSA - CEOs were appointed for RAF and SAMSA - Acting CEO for CAA appointed - Process on the appointment of ACSA MD commenced by the Board and submitted to the Ministry in March 2013 	<ul style="list-style-type: none"> - Late submissions received from the Boards - Process deferred by subcommittees of the shareholders 	

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Subprogramme: Legal Services					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance	
Ensure compliance with the requirements of applicable legislation	N/A	<ul style="list-style-type: none"> - Remuneration of Boards adjusted. - Annual general meetings of 12 entities took place 	<ul style="list-style-type: none"> - Remuneration of all Boards of all public entities reviewed in line with Treasury framework circular - AGMs of all public entities were held within the prescribed timelines - Review of draft for SANRAL, ACSA and ATNS memoranda of incorporation 		
Enhanced stakeholder relationship maintained	N/A	<ul style="list-style-type: none"> - 2 meetings of the DG/CEO Forum meetings - 1 bilateral meeting of the Minister and each Board/ Chairpersons of Boards 	<ul style="list-style-type: none"> - 1 meeting was held - Bilateral meetings were held with all 12 public entities. 	<ul style="list-style-type: none"> - Change of Executive leadership delayed process 	
Subprogramme: Office of the Director-General: Administration					
Quality and accuracy of Cabinet memoranda.	100%	100% accuracy	100% accuracy	None	
Quality and accuracy of submissions	80%	80% accuracy	100% accuracy and quality and zero returns	None	
High quality and accuracy of internal and external correspondence/ circulars	80%	80% accuracy	100%	None	
Distribution of Cabinet resolutions	Within 48 hours of receipt of resolutions	Within 48 hours of receipt of resolutions	Within 48 hours	None	
Implementation of Portfolio Committee, SCOPA, SCOPS, etc. resolutions	Within 48 hours of receipt of resolutions	Within 48 hours of receipt of resolutions	Dissemination of resolutions within 48 hours of receipt and implemented with immediate effect	None	
Number of responses to Parliamentary questions: Oral and written completed within stipulated timeframe	<ul style="list-style-type: none"> - Within 48 hours - 90% 	<ul style="list-style-type: none"> - Within 48 hours of receipt - 90% complete and submitted PQs 	<ul style="list-style-type: none"> - PQs distributed within 24 hours of receipt - 100% completed and submitted responses to PQs to Parliament within the Parliamentary deadline for the year 	None	
Percentage implementation of resolutions taken at DG's meeting	100%	100%	100% implementation of resolutions	None	

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Subprogramme: Office of the Director-General: Administration					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance	
- Quality and accuracy of documents (professionalism)	- 95%	- 90%	- 100% accuracy and quality checked	None	
- Number of responses to Parliamentary questions: Oral and written completed within stipulated timeframe	- Within 48 hours - 95%	- Within 48 hours of receipt - 90% complete and submitted PQs	- Questions distributed within 24 hours of receipt - 100% completed and submitted responses to PQs within the Parliamentary deadline		
Distribution of documents	Within 24 hours	Within 8 hours	Within 6 hours of receipt	None	
Decision grid/action plan	Within 8 hours	Within 6 hours	Within 6 hours	None	
Subprogramme: Strategic Planning and Cluster Coordination					
Percentage completion of approved rolling out of three-year strategic plan and one-year operational plan	Approved Strategic Plan tabled by 31 March 2012	Tabling of Strategic Plan and APP by 31 March 2013	1 Strategic Plan and 1 APP tabled by 31 March 2013	None	
Quarterly reports completed and submitted to the EA by 15th of the month following and of quarter (including evaluation)	Quarterly reports, analysis and evaluation done	4 reports	4 reports	None	
Completion of Annual Report	Annual Report presented to EA and tabled in Parliament	1 Annual Report	1 report	None	
Number of quarterly reports completed in accordance with the programme of action and Minister's Service Delivery Agreement	4 Cabinet memoranda and PoA report developed	Quarterly: 4	Quarterly: 4	None	
Number of cluster meetings	12 meetings and workshops held	Monthly: 12	Monthly: 12	None	
Subprogramme: Office of the Chief Audit Executive					
Effective internal audit systems for improved performance information		80% client satisfaction on audits conducted	Not measured as not all client survey forms were received back		
Compliance with Minimum Anti-Corruption Capacity Requirements	60% achievement	70% compliance with MACC audit	70%	None	
Development and execution of risk-based three-year and annual audit plans	Done	Review Internal Audit Charter and obtain approval by Audit Committee	IA charter reviewed and approved by AC	None	

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Subprogramme: Office of the Chief Audit Executive						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	Reason for variance
Development and execution of risk-based three-year and annual audit. plans	Done	Development & obtaining of approval of 3-year and annual plan.	3-year and annual IA plans developed and approved by AC.		None	None
Development and execution of risk-based three-year and annual audit. plans	Done	Execute annual plan and report progress to AC quarterly.	Progress on execution of annual plan reported to AC quarterly.		None	None
Development and execution of risk-based three-year and annual audit. plans	Audit methodology finalised in October 2011.	Review audit methodology.	Methodology not reviewed.		Postponed to September 2013.	Postponed to September 2013.
Subprogramme: Office of the Chief Financial Officer						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	Reason for variance
Suspense account reconciliation report	All monthly suspense account reconciliation reports were done	Monthly: 12	Monthly: 12	None	None	None
Income tax reconciliation on file	Income tax was reconciled for each month and EMP201 certificates were issued to SARS	Monthly: 12	Monthly: 12	None	None	None
Compliance certificate report	All compliance certificates were signed-off for complying with the minimum financial performance indicators	Monthly: 12	Monthly: 12	None	None	None
Information for annual financial statements	Information for the interim and annual financial statements was provided, amongst others the following: BAS Accruals; Debt Receivable Income and Interest; Gifts and Donations; Key Management Personnel; Progress on Debt Accounts; Related Parties; Schedule on Ledger Accounts; Thefts and Losses	Quarterly: 4	Quarterly: 4	None	None	None
Fund request and revenue reconciliation report	All funds were requested according to plans, all revenue was paid over to the National Revenue Fund. Reconciliation's were done monthly	Monthly: 12	Monthly: 12	None	None	None

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Subprogramme: Office of the Chief Financial Officer (Continued)						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Maintain travel and subsistence database	Travel and subsistence database was updated monthly	Monthly: 12	Monthly: 12	None	None	
Renew stationary contract and procure stationery for the Department	Orders were placed and stationery provided as requested. Orders were sent to the supplier as soon as the requests were received	Weekly orders placed	Weekly orders placed	None	None	
Contract management system	Monthly reports were issued	4 Reports	11 Reports but not from system	The system could not be put in use because the information technology environment was not supported	System still to be put in use.	
Review supplier's database.	1 Update	1 Update	1 Update	None	None	
- Manage and record assets - Asset reconciliation report - Asset count completed	- Assets reconciled each month - Asset count completed	- Monthly: -12 - Annually	- Monthly: -12 - Asset count not completed	- None - Asset count not completed	- None - Moving of offices	
Implementation of the amended PPPFA Act, 2000 (Act No. 5 of 2000) and its Regulations	The amended PPPFA Act and its Regulations were implemented	Quarterly training: 4	Quarterly training: 2	Training was started in June 2012 Supply Chain Management advisors took members through the new evaluation process at twenty-eight Bid Specification Committee Meetings	Training was not done each quarter	
Report: budget reprioritized	3 reports	3 reports	3 reports	On file	On file	
Programme and Responsibility Manager appointments on file	All letters of appointment on file	All letters of appointment on file	All letters of appointment on file	None	None	
Budget submissions done	All budget submissions complete and on time	4	4	None	None	

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Subprogramme: Office of the Chief Financial Officer (Continued)						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Budget and expenditure monitored and reported	12 monthly reports submitted to the Executive Authority, Treasury and Programmes	Monthly: 12	Monthly: 12	None	None	
BAS codes reflect the structure and entities maintained	BAS Report	BAS Report: 1	BAS Report: 1	None	None	
Ensure public/trading entities submit Strategic Plans to Executive Authority	12	12	12	None	None	
Oversee signing of Shareholder compacts/MOUs	11	12	12	None	None	
Oversee annual and quarterly reports to Executive Authority (EA), Performance reports and Financial Reports	13	14	13	Information Systems Hub was not created	- Project not authorised by Executive	
Review and comment on quarterly financial reports to EA	12	12	12	None	None	
Oversee budget submissions of public/trading entities	13	14	13	Information Systems Hub was not created	- Project not authorised by Executive	
Oversee compliance with DORA and DORA Frameworks: Monthly, quarterly, annually	5 reports	5 reports	5 reports	None	None	
Coordinate and provide inputs to annual report for all grants	Annually for 5 grants	5 reports	5 reports	None	None	
Ensure that action is taken to delay/stop grant payments if reports are not received	Stopped one grant payment	100% submission of reports	Stopped one grant payment	None	None	
Ensure that payments are per payment schedules	Monthly: 12	Monthly: 12	Monthly: 12	None	None	
Workshop new receiving officers	2 workshops	2 workshops	Not achieved	Deputy Director seconded to Limpopo	- Capacity constraints	

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Subprogramme: Office of the Chief Financial Officer (Continued)					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
Facilitate monthly DORA Committee meetings	Monthly: 12	Monthly: 12	Monthly: 8	Not all meetings could be held due to lack of attendance by line function	- Lack of attendance by line function
Provide inputs to DORA Bill	Annual inputs to DORA Bill	Annual inputs to DORA Bill	Annual inputs to DORA Bill – refer to Frameworks	None	None
Subprogramme: Communications and Stakeholder Management					
Strategic Objective: To project a positive image of the Department and its Agencies to the public and the transport sector					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance	
Developed and implemented the Department's Communication Strategy in line with the Department's mandate		Communication and Stakeholder Engagement Strategy implementation, including all modes of transport and strategic projects and programmes	Stakeholder engagements done through the Departmental Budget Vote; GFP related stakeholder interactions; October Transport Month opening and closing events, and through other stakeholder events attended by the Minister, Deputy Minister, Director-General and delegated Deputy Directors-General	None	
	Implemented Communication Strategy in line with the National Government Communication Strategy and Government's Programme of Action (PoA)		- October Transport Month communication and beyond included radio, television, print, online, billboard and special Financial Mail profile as part of marketing and communication - Implemented communication for the Truck Driver Competition/World Maritime Day/Festive Season Road Safety campaign/International Maritime Organisation conference/October Transport Month, etc.	None	

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Subprogramme: Communications and Stakeholder Management				
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance
Promoted Transport Infrastructure Development Projects and key DoT Strategic Projects (e.g. S'Hamba Sonke, GFIP, UN Decade of Action for Road Safety, Enforcement Plan, etc.)		<ul style="list-style-type: none"> - 50% coverage of transport sector in all media (number of campaigns/events, interviews etc.) - Launched the UN Decade of Action for Road Safety - Promoted the launch of the National Rolling Enforcement Programme (NREP) and - National Traffic Intervention Police (NTIP), and had various events and communication campaigns on law enforcement - Ongoing monthly statements on the reduction of road deaths 	<ul style="list-style-type: none"> - Coordinated communicators through the Transport Communicators Forum meetings. One meeting for the Forum with provinces and one strategy session that included the DoT Public Entities only - Produced speeches, media alerts and statements. Organised media briefings and interviews (television/radio/print) for all events attended by the Minister and the Deputy Minister and for issues that required responses based on the communication environment - Increased Presidential Hotline cases closed from 30% to 55% - Promoted transport infrastructure projects as part of the October Transport Month activities working with the provincial and public entity counterparts on, e.g. Mthatha bridge/airport upgrade inspection and taxi rank opening - Renaming of the Bloemfontein Airport to Bram Fischer International Airport; E-toll media activities, etc. - Approximately 65% coverage recorded - Coordinated interviews for the Minister/Deputy Minister/ Director-General on departmental programmes, and some interviews were based on events attended or campaigns, for instance the UN Decade of Action for Road Safety which was covered extensively through road safety events 	None

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Subprogramme: Communications and Stakeholder Management					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Actual achievement 2012/2013	Reason for variance
				- Issued regular media statements on the National Enforcement Rolling Plan and provided updates on activities undertaken (stopping & checking of 1 million vehicles per month, transgressions, outstanding infringements, cars taken off the road, etc.	
Subprogramme : Transport Information Systems					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
Establish a Transport cloud as enabler for the IT Hub.	Submitted a study report to National Treasury for the establishment of an IT Hub.	Establish an enterprise bus service (ESB) in support of the Integrated Financial Management System (IFMS) roll out and ensure supporting IY architecture is in place within the transport sector.	IFMS rollout delayed by National Treasury.	National Treasury approved management of eNaTIS funds. Obtained an overseas concessional loan through National Treasury.	ICT Hub Project canceled due to affordability challenges.
Implement business intelligence, governance and consolidate ICT operations in the transport sector.	Obtain approval for the establishment of a Directorate: Business Intelligence.	Document business processes.	ICT Hub Project was canceled due to affordability challenges.	Business Intelligence strategy produced.	ICT Hub Project canceled due to affordability challenges.
Implemented efficient change management principles in ICT.	Obtained approval for the establishment of a Top Structure and Sub-Structure, with the DDG as Head of the IT Hub.	Defined business model organisational structure, operational model, enterprise, architecture and defined business processes for the integrated.	Appointed workstreams to oversee transfer of eNaTIS into DoT.	ICT Hub cancelled	ICT Hub Project canceled due to affordability challenges.

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Subprogramme : Transport Information Systems						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Implement an Electronic Content Management solution across the transport sector as the backbone for information and document management	Submitted project close-out report, conducted post-implementation assessment and provided 100% maintenance and support for departmental ECM.	Clarify ICT roles and responsibilities; provide training and professional development	A service provider was appointed but could not proceed with the work due to ICT Hub project being cancelled	ICT Hub cancelled	ICT Hub cancelled	
Implement an Electronic Content Management solution across the transport sector as the backbone for information and document management	Submitted project close-out report, conducted post-implementation assessment and provided 100% maintenance and support for departmental ECM.	Document business processes	50% implementation of key processes in the transport sector	ICT Hub cancelled	ICT Hub Project cancelled due to affordability challenges.	
A fully functional National Land Transport Information System (NLTIS) as per the National Land Transport Act	Ensured system maintenance, support, monitoring and evaluation	Redesigned the National Land Transport Information System to fully comply with NLTA	Completed user requirements	<ul style="list-style-type: none"> - The establishment of ICT Trading Entity - The procurement of SITA services to conduct User Requirements affected the progress of NLTIS redesign 	ICT Hub Project cancelled due to affordability challenges	
Implement affordable and quality transport systems in line with the Government and architecture framework	Implementation dependent on upgraded IT infrastructure	Implement the Maritime Security System	Completed user requirements	The procurement of SITA services to conduct User Requirements affected the progress of NLTIS redesign	ICT Hub Project cancelled due to affordability challenges	
Ensure sufficient operation of the National Traffic Information System (eNaTIS)	<ul style="list-style-type: none"> - 99.90% system availability - Deployment of 4 software releases - 2 - 0% replacement of hardware 	<ul style="list-style-type: none"> - 99.90% system availability - Deployment of 4 software releases - 20% replacement of hardware 	Achieved		<ul style="list-style-type: none"> - ICT Hub Project cancelled due to affordability challenges - eNaTIS transferred to RTMC 	
Ensure efficient operation of the Driving Licence Card Production Facility (CPF)	Production of 2 million cards per annum and support 1 000 live capture units per annum	Produce 2.5 million cards per annum and support 1 200 live capture units per annum	Production of 2 million cards per annum and support of 1 000 live capture units per annum	The renewal of the contract of live capture units contributed to delayed roll-out of 200 units	<ul style="list-style-type: none"> - DLCA transferred to RTMC - ICT Hub Project cancelled due to affordability challenges 	

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PROGRAMME 2: INTEGRATED TRANSPORT PLANNING (ITP)

Purpose

To support, manage and facilitate national transport planning underpinned by the strategic planning framework and relevant strategies, coordinate inter-sphere relations in relation to transport planning, support line functions and other spheres of Government in creating seamless integration in transport operations, coordinate efforts to integrate interventions in the region and continent, provide economic modelling and analysis of the sector, and develop indicators for monitoring the performance of the sector.

Strategic Objectives of the Programme

The following are the strategic objectives of the branch as it seeks to implement departmental outcomes as identified in the departmental strategic plan. These are:

- Enhance the coordination of integrated transport planning
- Ensure funding, economic performance and transformation of the transport sector
- Promote seamless movement of cargo across all modes and corridors
- Ensure and promote regional and continental integration of infrastructure and operations
- Ensure research, Innovation and monitoring of the transport sector for sustainability

Subprogrammes

The Integrated Transport Planning Administration Support provides administrative support services to the entire programme. The subprogramme is responsible for budget control, performance reporting and project administration to support subprogrammes in their execution of the agreed targets that are on the departmental strategic plan as well as on the annual performance plans. The administration also coordinates departmental work on the Infrastructure Development Cluster (IDC) and Economic Sectors and Employment Cluster (ESEC). It produces quarterly reports that are submitted to Ministerial Clusters and the Cabinet Committee. The last activity that administration does is the coordination of all Strategic Infrastructure Projects (SIPs).

Research and Innovation is responsible for coordinating and developing the transport sector response to climate change and environmental protection, providing research support and developing strategies that respond to and provide support for technological advancement and being innovative. The unit produced reports on the Transport Information Portal for use by everyone who wants to see the material that the Department has and a report on the rural deprivation index to measure rural access to transport and transport services.

Macro Sector Planning manages, coordinates and facilitates the implementation of the planning prescripts of the National Land Transport Act and provides planning guidelines and a national five-year strategic framework to inform provincial and municipal planning. The unit produced the National Transport Master Plan Synopsis report that was to be tabled before Cabinet for consideration. In making sure that planning is informed, the unit produced user requirements for the development of an integrated transport information databank. Lastly, the unit worked on helping the Deputy Minister in her role as a member of the Ministerial team on the Integrated Urban Development Framework (IUDF) that is meant to produce an integrated urban framework for South Africa.

Freight Logistics develops and coordinates the implementation of strategies aimed at unblocking bottlenecks in the national freight logistics system with particular emphasis on the integrating elements of the system across modes. The unit produced a series of documents for submission to the Presidential Infrastructure Coordinating Commission as part of its Durban-Free State-Gauteng Industrial Corridor. The second key deliverable in the unit was the refurbishment

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and upgrade of the Mthatha runway. The runway upgrade was complete barring the laying of the ultra-thin friction course. The last key deliverable was the coordination of the Transport and Mobility Work Group as part of the KSD Presidential Intervention Project meant to revitalize and upgrade Mthatha's crumbling transport infrastructure.

Regional Integration manages, coordinates and facilitates the development of strategies for engagement in the SADC region and the continent. The unit delivered border optimization plans and has started to develop focused intervention strategies to deal with systemic challenges. As a result of that work, the team is now working on dealing with congestion challenges at the Maseru Border Post. The other key work that the team has been working on is the North South Corridor (NSC) that links with the Presidential Infrastructure Championing Initiative (PICI). The team has finalized the Memorandum of Understanding (MoU) for consideration by the Southern African Development Community (SADC) Minister responsible for Transport. The last work that the team started was the analysis and assessment of regional infrastructure to enable appropriate integration strategies.

Modelling and Economic Analysis undertakes financial and economic modelling and analysis of various policy options. The unit produced the pilot for the National Household Travel Survey, and final results were delayed due to the delay in the release of Census results and datasets. The Transport Bulletin has been done and now needs to be published. The team also produced a number of reports on a number of areas during the year. One of the most critical deliverables has been the work that the team has been doing on the Single Transport Economic Regulator (STER), which has met a number of milestones. The last key output was the establishment of the Broad-based Black Economic Empowerment Council. The advert for nominations was done and a shortlist for the conveners of subsector groups and their members was finalized.

The following tables set out subprogramme performance on the agreed targets as outlined in the Estimates of National Expenditure (ENE) and Annual Performance Plans (APPs).



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Subprogramme: Research and Innovation						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Development of Transport Energy Consumption Framework for climate change mitigation	White Paper on National Response Climate Change Strategy	Conduct a baseline study to ascertain levels of aggregate energy consumption along the major corridors in South Africa	Terms of reference done and scoping analysis done, and discussion document completed	Alignment with the Energy Consumptions Study of the Department of Energy. The EETMS has delayed the start for good reasons as both these sectors are the biggest consumers of energy and there was risk for duplication	The Energy Consumption Framework will commence in the 2013/14 period as a result of the unforeseen delays of the alignment process between DoE and DoT. The TOR have been developed and approved and steps are underway to appoint a service provider	
Development of Transport Greenhouse Gas Inventory		Develop a mitigation strategy to contribute towards the reduction of GHG by 34% as per UNFCCC commitment	Tier 1 work on modelling and inventory data collection has been done, and a Report and Database for the Tier 1 phase have been completed	Alignment with Department of Environmental Affairs Mitigation Potential work has in essence delayed the start of the project, but after completion, Tier 2 work will start thereafter	The GHG alignment process with DEA has been concluded and the project will start in the 2013/14 period. The TOR have been developed and approved	
Develop a sustainable transport information portal, accessible at all tiers of government		A sustainable transport information portal	The portal was developed	Due to security concerns, the portal is being converted from a DotNuke to a DotNetNuke environment.	Upon finalisation of the move to a new platform, then the project will be complete and final	

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Subprogramme: Research and Innovation						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Develop a rural accessibility/multi-deprivation index.	Rural Transport Strategy	Accessibility index conducted for 12 rural districts: Alfred Nzo, Amajuba, Amatole, Chris Hani, Joe Gqabi, O.R. Tambo, uGu, uMgungundlovu, uMkhanyakude, uMzinyathi, uThukela, and Zululand	A literature review report was completed	The service provider developed and tested the methodology, and thereafter will compute the index for all rural districts	- Capacity constraints	
Research on the impact of freight accidents on South Africa's roads	National Freight Databank	Discussion document on the impact of freight accidents on South Africa's roads	Restarted the process of appointing a service provider	Contract terminated with the initial bidder and a second round of the bidding process had to be run	The second round of the bidding process has commenced	
Review of Transport Innovation Research Strategy; and undertake a study on main technologies and innovations to reduce accidents on roads in South Africa		Reviewed Transport Innovation Research Strategy	None	This target was taken off from the performance plan	The abandonment of the targets was necessitated by the extended sick leave and eventual discharge of the concerned project manager on grounds of incapacity as a result of ill health following the Procedure on Incapacity Leave & Ill-health Retirement (PLIR).	

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Subprogramme: Research and Innovation						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Development of a Transport Sector Monitoring & Evaluation Framework		<ul style="list-style-type: none"> - Development of an internal M&E discussion document - Final M&E Framework developed 	<ul style="list-style-type: none"> - Internal discussion document finalised - Framework developed 	The Framework provisions are being constantly aligned with the National Treasury Guidelines on Provincial Performance Indicators in the sector	The Framework provisions are being constantly aligned with the National Treasury Guidelines on Provincial Performance Indicators in the sector	
Compilation of a Transport Sector Policy M&E Report for 2013/14		Approve M&E Framework and data collection	Did not undertake the project	Did not undertake the project	Coordination with the DPME and the new framework	
Subprogramme: Macro Sector Planning						
Approved NATMAP 2050 by Cabinet		Approval of the NATMAP by Cabinet by May 2012	<p>Synopsis report finalised</p> <p>As part of preparations to obtain Cabinet approval, NATMAP was presented to the Infrastructure Development Cluster</p>	The Strategic Management Committee (SMC) directed that before going to Cabinet, alignment between NATMAP and the Rail Policy must be sought	The need to align the NATMAP with the Rail Policy resulted in further delays with regard to seeking Cabinet approval. This resulted in further engagements	
Updated Transport Master Planning Framework.		Monitoring and review trends and projections for Macro Planning in Eastern Cape, North West, Northern Cape, Free State and Mpumalanga by March 2013.	<p>Limpopo, Free State, Mpumalanga and Kwa Zulu Natal participated to some extent on the process but later on raised concerns of updating the Framework before it was approved by Cabinet. Gauteng & Western Cape refused to engage due to the same concern.</p>	The process was dependent on the NATMAP 2050 approval by Cabinet.	Provinces were reluctant to proceed with the update of the framework before it was approved by Cabinet.	

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Subprogramme: Macro Sector Planning						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Consolidate Transport System Data Bank User Requirements Framework		Produce a user requirements framework report by March 2013	The service provider for the development of user requirements framework has been appointed	Late appointment resulted in not meeting the target	Internal consultation processes leading to the appointment of service provider took longer than anticipated	
National Transport Planning Forum established		Establish National Transport Forum by March 2013	<ul style="list-style-type: none"> - The ToRs were approved for the appointment of a preferred bidder; however, there was no appointable service provider - The process was restarted later 	Could not obtain a suitable bidder in two separate bidding processes	The initial bidding process for the appointment of the service provider failed to produce results. This led to the second round of the bidding process. The second process was concluded just after the end of the financial year. However, an appointable service provider was identified	
Integrated Transport Plan (ITP) minimum requirements reviewed and aligned with the NLTA		Produce a draft report on the review of the ITP minimum requirements for alignment with the NLTA by 2013	No progress made	Internal consultation process and alignment of roles and responsibilities took longer than initially anticipated	Delays on the decision to hand over the transport planning responsibilities from the Public Transport Branch to the ITP Branch	

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Subprogramme: Macro Sector Planning						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Developed National Transport Infrastructure Planning Draft Bill		Submit the draft Bill before Parliament by March 2013	<ul style="list-style-type: none"> - Ministerial approval for the development of the Bill - Developed Terms of references for the appointment of service provider 	After the ToRs were approved by the BSC, a decision to suspend the commencement of development of the Bill was taken. The initial phase was to review the Policy Framework before the Bill is developed	Process suspended and decision taken to review the policy framework first	
Subprogramme: Freight Logistics						
Develop Logistics Hubs Framework by March 2013		Coordination of critical freight transport warehouses to support logistics hubs and spokes facilities	The following provinces were engaged: Free State; Northern Cape; North West; Mpumalanga and Western Cape. Other remaining provinces (KwaZulu-Natal; Eastern Cape and Gauteng) could not meet		Non-availability of provincial official(s) to secure meeting dates and conduct site visits due to other commitments	
Databank feasibility report developed		Finalize the National Update of transport and logistics databanks.	The Bidding process was finalised and a recommendation for a service provider was submitted to Bid Adjudication Committee	Due to insufficient budget allocation for the project and the recommended bidder quoting a higher price, the SCM process was cancelled	Insufficient budget allocation	

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Subprogramme: Freight Logistics						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Mapped and developed key corridors, sub-corridors with associated key nodal points for integration of information flow (O-D pairs) between modes		Finalize mapping of feeder networks on secondary and tertiary corridors	The mapping of feeder networks on secondary and tertiary corridors could not be finalised	As a result of the delay in the update of the National Freight Databank, the mapping of the feeder networks could not be finalized and the origin and destination (O-D pairs) mapping could not be conducted	Delay in the update of the National Freight Databank	
Durban - Free State - Gauteng Logistics and Industrial Corridor Institutional Framework by June 2012		Implement 4 hubs 2050 vision: Durban – Gauteng corridor project City Deep Harrismith Cato Ridge Musina	Report delivered and also submitted as part of the PICC Strategic Infrastructure Project 2 Integrated Business Plan	None	Durban - Free State - Gauteng Logistics and Industrial Corridor Institutional Framework by June 2012	
Rural Integrated Transport Plans	Draft King Sabatha Dalindyebo (KSD) Integrated Rural Transport Plan	Identify and roll out to 3 rural provinces: Sekhukhune (LP) Kgalagadi (NC) Maluti-a-phofung (FS)	Due to delays in the final approval of the draft KSD Integrated Rural Transport Plan (IRTP), the roll-out to identified three provinces could be not done		Delays in the approval of the draft KSD IRTP by KSD Mayoral Committee	
Develop and map out key centres of production to support key rural economic nodes.		Link and align centres of production to feed national and sub-national corridors.	Were done as part of the KSD Integrated Rural Transport Plan	None	None	
Develop rural specific indicators and targets to monitor freight performance within IDPs and ITPs.		Implement an integrated rural transport plans based on the findings of the update.	Developed using the KSD Model	None	None	
Identify and develop strategic rural freight logistics infrastructure.		Roll out and coordinate to other rural provinces.	Developed using the KSD Model	None	None	

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Subprogramme: Regional Integration						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Develop traffic flow optimization plans for key border posts	National Freight and Logistics Strategy	Grobler's Bridge; Qacha's Nek; Ficksburg Bridge; Van Rooyen; Caledonspoort; Golela; Ramatlabama; Nakop	Not done	Project was not undertaken	Reprioritisation, capacity and resource constraints caused the delay in the start of the project	
Assessment of traffic flows at gateways (air and seaports)		4 seaports: Durban; Richard's Bay; Cape Town; Saldanha Bay 3 airports: OR Tambo International; Cape Town International; King Shaka International	Not done	Project was not undertaken	Due to restructuring, the functions no longer fall under the Chief Director: Regional Integration	
Implementation plans	6 borders	Decongestion at Maseru Border Post	Just appointed a service provider for Maseru Border Post	Project shifted to 2013/2014	Delays in adopting recommendations for implementation and lack of capacity due to reallocation of staff to priority projects (i.e. NSC)	
Enhanced Africa Integration through implementation of initiatives by regional institutions like NEPAD, AU, SADC, etc.		Complete study on harmonisation of vehicle and operational standards with practical recommendations	Appointed service provider	The project commenced in the last quarter of the financial year	These tenders went through the supply chain process three times during the year	
Status of Regional Infrastructure in South Africa		Complete the study with practical recommendations	Appointed service provider	The project commenced in the last quarter of the financial year	These tenders went through the supply chain process three times during the year	

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Subprogramme: Regional Integration						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Developing Management Instruments for Regional Corridors	SADC Protocol on Transport, Communicational Meteorology; NLTA; NFLS, RIFSA, & PIDA	Finalising North-South corridor MoU Maintaining and sustaining the TKC & SACU	MoU finalised but awaiting endorsement and conclusion by SADC Transport Ministers TKC management entity maintained and supported	The MoU was finalised but not approved	The North-South Corridor MoU underwent the process of revision when it became apparent that it had to be aligned with the Presidential Infrastructure Coordination Initiative of the NSC as per President Zuma's appointment by NEPAD. It is currently being negotiated with SADC counterparts and will probably be finalised during the SADC Ministers Meeting during 2013	

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Subprogramme: Economic Analysis & Modeling				
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013
Modelling and Macro Economic Analysis Reports	NATMAP, MSA	<ul style="list-style-type: none"> - Final report on macro-economic impact of transport - Final report on land passenger transport modal shift analysis - Final report on global competitiveness by reducing transport cost (road) 	<ul style="list-style-type: none"> - Report completed - Report completed - Report completed 	None
Funding Models	NATMAP, MSA, PPP Framework	<ul style="list-style-type: none"> - Review models for transport projects under DoT Investor relations promotion - Participate in 4 infrastructure investment projects in the provinces/municipalities - Research and review industry policies and funding frameworks - Sponsorship for investor conference 	<p>Done</p> <ul style="list-style-type: none"> - Done with the Investment Unit in the DG's office - Projects in the Durban-Free State-Gauteng Industrial Corridor - Review of industry policies not done but done funding framework completed. - Not done. Process was halted 	<p>None</p> <p>None</p> <ul style="list-style-type: none"> - Capacity constraints - Process halted after new Ministerial appointment
Implementation of Integrated Transport Sector B-BBEE Codes	Transport sector B-BBEE Codes	<ul style="list-style-type: none"> - B-BBEE Charter Council continuously undertake the following: - Implementation, monitoring & evaluation of eight sub-sectors - Surveys on eight sub-sectors of transport to track progress of B-BBEE implementation from August 2012 to July 2013 - Produce B-BBEE Annual Report 	<ul style="list-style-type: none"> - Finalised list need to submit to Minister for approval - Appointed a service provider to undertake verification. Verification already done at National Department and has commenced in provinces. Survey report has overlapped to the 2013/14 financial year - A service provider has just been appointed 	<ul style="list-style-type: none"> - Delay in appointment of the Chairperson - Capacity constraints
Establishment of a Single Transport Economic Regulator (STER)	National White Paper on Transport	<ul style="list-style-type: none"> - Situational Analysis - International benchmarking - Options Analysis 	<ul style="list-style-type: none"> - Report on situational analysis completed - International benchmarking completed - Options analysis report completed 	None
- National Household Travel Survey - Transport statistics for 2011	Census and the 2005 NHTS	<ul style="list-style-type: none"> - Analytical report for the NHTS published - Transport Statistics Bulletin 	<ul style="list-style-type: none"> - Report completed and pilot done - Report complete 	None

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PROGRAMME 3: RAIL TRANSPORT

Purpose

Facilitate and coordinate the development of sustainable rail transport policies, rail economic and safety regulations, infrastructure development strategies and systems that reduce system costs and improve customer service. This programme monitors and oversees the Railway Safety Regulator (RSR) and the Passenger Rail Agency of South Africa (PRASA). The focus is also on the implementation of integrated rail services planned through the lowest competent sphere of government.

Strategic Objectives:

- Upgrade and extend priority commuter rail corridors
- Enhance the efficiency and reliability of the rail transport sector
- Ensure a safe railway and conducive regulatory environment
- Create jobs through manufacturing and maintenance in the rail sector

Performance indicators and targets:

Following Cabinet's approval of the feasibility study on the renewal of PRASA's rolling stock, the Department and PRASA embarked on a process to invite bids for the replacement of the fleet. Request for Proposals was advertised by PRASA in April 2012, inviting interested parties to submit bids for the replacement of half of the rolling stock fleet, at an estimated cost of R5.1 billion per year over a ten-year period.

The procurement programme for the acquisition of new rolling stock follows the fleet programme process as set out in the government's Industrial Policy Action Plan (IPAP II). The objective of the fleet procurement programme is to develop long-term procurement plans that establish predictable demand which will make investments in local supply industries attractive. The establishment of local manufacturing industries will result in substantial sustainable jobs over the twenty-year procurement period and the redevelopment of rail engineering capacity and skills that have been lost over decades of underinvestment in the local rail engineering industry.

On 5 December 2012, the Gibela Rail Transport Consortium was announced as the preferred bidder for the design, manufacture and supply of the PRASA new rolling stock fleet. The bid will offer 3 600 vehicles delivered over a 10-year period (2015 to 2025), with a cost implication of R51 billion; Maintenance, spares supply and technical support on vehicles over an 18-year period (2015 to 2033); 8 088 new direct jobs created; Ownership - 30% be set aside for equity partners; Spending of R797 million on skills development initiatives; R32.8 billion to be spent on subcontracting to black empowered entities; R5.3 billion to be spent on subcontracting to qualifying Small Enterprises and Exempted Micro Enterprises (SMMEs); R1.6 billion to be spent on subcontracting to entities owned by black women; Spending of R746 million on the development of enterprises in the rail sector; Spending of R273 million on Socio-Economic Development contributions and local content of 69% by year 2. The procurement process is on target with the delivery of the first batch of vehicles planned for the fourth quarter of 2015/16.

A draft Green Paper on the Rail Transport Policy was finalized in April 2012 to create a foundation and framework to stimulate discussion for the development and finalization of the National White Paper on the Rail Transport Policy. The Green Paper outlines the policy areas identified as key decision areas that require further discussion, consultation and debate. The main policy areas are investment, private sector participation, institutional arrangements, rail transport planning, skills development and job creation, regulation, rail safety management, and security management. The outcome of this Green Paper process is the clarification of Government's vision and policy position in rail transport. In addition, it will identify and/or confirm key policy development and implementation areas related to legislative amendments and developments, and refine Government's provisional approach on addressing inherent challenges in rail transport.

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Subprogramme: Rail Infrastructure and Industry Development					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
1 390 rail coaches generally overhauled and upgraded	510 coaches completed	450 coaches completed	579 coaches completed	No variance – target achieved.	None
Completion of Phase 1: Gauteng Train Control Nerve Centre	Concept designs of GNC finalized. Phase 2 Tender scheduled in June 2012	5 of 6 sections completed	Detailed design approval completed. Bids awarded – excavation commenced and will be continuing into 2013/14	None	None
Moloto Development Corridor	-	Feasibility study	PPP Project Inception Report & Needs Analysis concluded	No variance – target achieved	None
Bridge City line extension	Construction work on earthworks and piling progressing as planned	Construction of stations and perway	Overall progress on construction of stations and perway are at 81%	Target achieved. Variance in project due to labour protest on site	None
Budget approval – Procurement of new rolling stock Request for Proposal (RFP) preparation	Needs and feasibility study completed and funds secured – Request for Proposals work in progress	Budget approved. Procurement and RFP preparation. RFP process and evaluation	Contract negotiations with preferred bidder completed. Evaluation of preferred bidder for Black Equity partner in progress	No variance – target achieved	None
Greenview – Pienspoort line extension	Doubling of the line stands at 95%. The contract for Mamelodi Gardens station has been awarded. Adjudication of tenders delayed due to review of original design	Construction of stations and perway 50% completed	Package 1 – Overall project is 80% completed. Track doubling and rail infrastructure completed. Package 2, 3 & 4 – construction of all station developments are delayed	Target achieved Variance due to construction delays - contractors for Package 1 – track doubling and rail infrastructure back on site. Construction of Mamelodi Gardens, Greenview and Pienspoort stations delayed due to the outstanding approval of the station drawings by the City of Tshwane. The relocation of the informal settlements at proposed Greenview station also delayed by the City of Tshwane	None

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Subprogramme: Rail Operations					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
Performance Monitoring and Evaluation – successful development and implementation of National Service Level Agreement	-	Development of National Service Level Agreement and pilot DoT & PRASA	Final draft of Service Level Agreement concluded	No variance – target achieved	
Subprogramme: Rail Regulation					
Rail Policy Green Paper	Draft Green Paper developed	Green Paper published	Inter-governmental consultation commenced with key stakeholders. Cost Benefit Analysis commenced	Target not achieved – Green Paper not published – delay in internal stakeholder engagement process	Delays in stakeholder engagements
Established Interim Rail Economic Regulator (IRER)	Final draft Implementation Plan for IRER with Treasury and DPE for comments	Interim capacity established	Institutional arrangements, Memorandum of Understanding and Terms of Reference for the establishment of the IRER Task Team agreed with Treasury and DPE	- Target not achieved – IRER not established - IRER in the process of being established	Delays in stakeholder engagements
Finalised accident and incident status report	State of Safety Report 2010/2011 finalized and produced	Status quo report completed	Railway Safety State of Safety Report tabled before Parliament in September 2012	No variance – target achieved	None

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PROGRAMME 4: ROAD TRANSPORT

Purpose:

Regulate road traffic management. Ensure the maintenance and development of an integrated road network through the development of standards and guidelines and oversight of the road agencies and provincial road expenditure. Ensure that all eligible drivers are in possession of driving licence cards.

Strategic Objectives:

- Facilitate the rehabilitation of roads by supporting the upgrading of 2 156 km of coal haulage roads by quarterly monitoring of spending by provinces and the South African National Roads Agency.
- Improve the condition of provincial roads by reducing those in poor to very poor condition from 65 966 km in 2009/10 to between 56 071 km and 52 773 km by 2014 through a targeted maintenance programme across the provinces.
- Contribute to halving unemployment by promoting industry development and labour intensive methodologies to create an additional 70 000 full-time equivalent jobs in the roads sector by 2011/12.
- Support the implementation of the road infrastructure strategic framework by ensuring the use of updated road asset management systems in all provinces by 2013 and the development of these systems at local government level.
- Improve rural access to road transport by assisting municipalities in developing non-motorised infrastructure in 21 district municipalities by 2014.
- Review and develop the Road Safety Strategy that will assist the Department to reduce road accident fatalities and serious injuries by 50 percent by 2020, in line with the Decade of Action and the Millennium Development Goals.
- Improve service at all road traffic customer contact centres, thereby reducing the period it takes to obtain a driver's licence and renew motor vehicle licences.
- Produce and deliver driver's licence cards within 24 days over the period 2013/14-2017/18.
- Manage and maintain 1 000 Live Capture Units (LCUs) at Driving Licence Testing Centres (DLTCs) over the five-year period ending 2017/18.
- Improve the financial position of the Driver's Licence Card Account to ensure its sustainability.
- Improve the governance of the Driver's Licence Card Account.

Road Regulation

The Amendments to the National Road Traffic Act and the Regulations have been effected, which would lead to the reduction of accidents on public roads, thereby creating safe movement and better protection in the transportation of persons on public roads. The implementation of learner and driver's licences programmes will enhance and improve driving skills of drivers and lead to improved service delivery. Implementation of periodic motor vehicle testing will increase safety of passengers in public transport motor vehicles. The Draft Road Safety Strategy has been completed; the strategy contains interventions that will enable the Department to reduce the number of accidents and fatalities on our roads, thereby ensuring that we achieve the Millennium Development Goals and those of the Decade of Action for Road Safety 2011–2020.

Road Engineering Standards (RES)

The Department of Transport, through the S'hamba Sonke Marshal Plan Document, developed a Road Asset Management Policy that will assist in quantifying and analysing the requirements of the road networks in South Africa. This includes "Knowing Your Network" (Extent of various road networks; Condition of road networks; Intervention on each road network; and Investment requirements on each road network). The Policy is at the draft stage and is currently being consulted with all interested and affected parties.

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A new formula to allocate funds has been designed and is being applied to all provinces. The new formula is based on Extent; Condition; Topography; Road Traffic and Geo-climatic conditions. These factors reflect the different costs of maintaining road networks in each province.

In a drive to ensure efficient and effective investment in rural roads infrastructure, the Department of Transport has made grant funding available for 21 rural district municipalities (DMs) across the country to set up Road Asset Management Systems (RAMS). The grant funding is essentially for the standardised collection of road inventory data, including condition assessment and traffic data. About 120 young graduates have been put into an intensive Geographic Information System (GIS) and RAMS training programme, after which they will be equipped and placed in the districts for the implementation of the programme.

Revision of the following engineering standards are in progress:

- Road Asset Management Manual (TMH 22);
- Manual for the Management and Inspection of Highway and Road Structures; and
- Consolidation of Visual Assessment Manuals (Incorporating Flexible Pavements, Unsealed Roads, Concrete Roads and Block Pavements).

Road Infrastructure & Industry Development (RIID)

Through the S'haba Sonke Roads Programme, it can be reported that R8,114,871,000 has been spent from the Provincial Road Maintenance Grant as at 31 March 2013, which represents 93% of the R8,696,210,000 allocated in the 2012/2013 budget.

A total of 39,680 full-time equivalent (FTE) jobs were created, which implies that 44% of the 90 000 annual target was achieved.

In the absence of a budget approval to implement Pothole Hotline, the repairs of potholes were monitored by analysing physical work done instead of the turnaround time to undertake repairs. From 2013/2014, as a long-term solution to pothole problems, the Road Maintenance Grant allocations (already published in the DORA) will be prioritised, based on Road Condition Assessment data. This will commit road authorities to undertake preventative maintenance and thus prevent potholes.

Driving Licence Card Account (DLCA)

The Driving License Card Account has improved the financial position of the entity from negative cash flows and the going concern crisis that were reported by the Auditor-General, by negotiating a decrease in card production cost and LCU maintenance cost with the service provider, resulting in R7 million savings per annum.

The trading entity has managed to strengthen its financial position by recovering 85% of debts that have been outstanding for more than five years, and has a healthy liquidity of R45 million.

The entity has also improved governance by establishing and implementing entity-specific policies, governance structures/committees: MANCO, Risk Committee, Audit Committee and reporting frameworks. The turnaround time of 15 days for production of driver's licence cards has been achieved versus the contractual 24 days. The entity's financial management that was outsourced to consultants (Deloitte) since 2008 is now being performed internally by the entity. Also, it has achieved a surplus of 24% and its bank balance has grown from R11 million to R87 million.

The entity also managed to:

- Resolve all the AG audit findings;
- Obtain a clean audit report for 2011/12 ;
- Restore Auditor-General trust on DLCA & DoT management; and
- Build internal capacity with 70% of posts filled

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Subprogramme: Road Regulation					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
Reducing of fatalities during the year (per province/nationally)	14 000 fatalities. There has been an improvement over the festive and Easter season	30% (4 200)	0.79% (110)	29.21% (4 090)	<ul style="list-style-type: none"> - There is gross violation of road traffic rules by drivers, continuous drunk driving and pedestrian jay-walking - The 2006 Road Safety Strategy is under review and development of road safety strategy programmes
Implementation of periodic motor vehicle testing	Incorporation and publication of the Regulations to the National Road Traffic Act	Implementation of periodic motor vehicle testing	<ul style="list-style-type: none"> - Legislation drafted and published for comments - Public participation complete - Comments being considered. 	Implementation not yet rolled out	Implementation could not take place due to prolonged public participation
Implement motor vehicle safety standards	Currently, no new safety standards developed	Incorporation of comments to National Road Traffic Act	Comments incorporated into the National Road Traffic Act (NRTA)	No deviation	Public consultation in progress
Facilitate the implementation of Administrative Adjudication of Road Traffic Offences (AARTO)	Proposed national roll-out and draft AARTO regulation published	Implementation of enabling legislation for the national roll-out of AARTO	AARTO Bill published for comments and incorporation was done 23-26 April 2013	AARTO Amendment Act not yet passed	The AARTO Bill is in the Parliamentary processes
Subprogramme: Road Engineering Standards					
Road asset management policy & guidelines developed	Draft Road Infrastructure Asset Management Policy Developed	COTO & MINMEC approval	Road Infrastructure Asset Management Policy (RIAMP) is complete and has been presented to a COTO Subcommittee on Road Asset Management Systems (RAMS)	COTO & MINMEC meetings were not held	Awaiting COTO & MINMEC approval

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Subprogramme: Road Engineering Standards						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Critical technical standards & norms reviewed and revised	SADC Volumes 1 & 4 and South African Road Traffic Signs Manual Volumes 2 & 3 digitised	Digitised Road Traffic Signs Manual and Route Numbering document updated	Both documents have been completed	No deviations	No deviations	
Road Infrastructure Safety Framework developed	None	Develop Road Infrastructure Safety Framework	Road Infrastructure Safety Framework has been completed	No deviations	No deviations	
Subprogramme: Road Infrastructure & Industry Development						
Number of kilometres/m ² roads maintained	<ul style="list-style-type: none"> - 3 908 933 (m³) of re-sealing roads completed - 2 700 km of re-gravelling roads completed - 593 942 (m³) of black top patching (including pothole repairs) has been completed - 217 647 km of gravel roads have been bladed 	<ul style="list-style-type: none"> - 7 484 303 m² surfaced roads resealed - Re-gravel (km): 2 793 - Black-top patching (m²): 1 357 488 - Roads bladed (km): 601 156 	<ul style="list-style-type: none"> - 4 344 725 m² surfaced roads resealed - Re-gravel (km): 13 346 - Black-top patching (m²): 1 128 064 - Roads bladed (km): 363 522 	Surfaced roads resealed (m ²): 3 139	Continuous changes in provincial project lists (b/plans) resulting in delaying the procurement of services	
2 156 km of roads rehabilitated	<ul style="list-style-type: none"> - SANRAL (national) 918 km (Routine Maintenance) - 241 km strengthening/reconstructed - Mpumalanga 65 km (rehabilitation) - Gauteng 64 km (reseal) 	<ul style="list-style-type: none"> - 55 km in Mpumalanga - 118 km national routes - 35.31 km in Gauteng 	<ul style="list-style-type: none"> - 19.8 km in Mpumalanga - 47 km national routes - 18.2 km in Gauteng 	<ul style="list-style-type: none"> - 32.20 km in Mpumalanga - 71 km national routes - 17.11 km in Gauteng 	Delays in the procurement processes in Mpumalanga and shortage of bitumen for Gauteng and SANRAL	
120 000 full-time equivalent (FTEs) jobs created	60 089 for 2011/12	90 000 FTEs created	42 919 FTEs created	47 081 FTEs	- Job creation target has been exceeded, however, the duration (short period) for individual participation does not qualify for FTE	

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Subprogramme: Road Infrastructure & Industry Development					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
To improve rural access and mobility by assisting 21 district municipalities in developing Non-Motorised Transport Infrastructure and facilities by 2014	None	Facilitate the establishment of rural stakeholder forums Develop database of schools and clinics requiring proper access roads	Draft NMT network plan developed for Polokwane Municipality. Draft NMT Masterplan for Moses Kotana Municipality Though the Department did not have a dedicated budget for NMT, the DoT established partnerships for the development of urban NMT plans and the piloting of NMT interventions Database of schools with access and mobility challenges was developed	No deviations	Re-prioritisation of the budget had to take place in favour of Road Asset Management System (RAMS)
Subprogramme: Driving Licence Card Account (DLCA)					
Number of driving licence cards produced according to demand	2 084 786	2 001 000	2 312 746	No deviations	No deviations
Turnaround time for delivery of driver's licence cards ordered by provinces measured in calendar days and number of cards ordered per day	An average of 14 days is utilised to produce a card	Turnaround time for delivery of driver's licence cards 24 days for 7 201–8 400 cards per day	An average of 14.5 days is taken to produce a driver's licence card	No deviations	No deviations
Number of forged driver's licence cards	0	0	No forged cards were reported	No deviations	No deviations
Number of LCUs installed and ready for use	837 live capture units installed	900 on the strategy	880 live capture units installed	20 LCUs	Network and cabling not yet connected on various centres

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Subprogramme: Driving Licence Card Account (DLCA)						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Register of calls logged to indicate LCU repair turnaround times	Register of calls logged maintained April 2011 – March 2012 on the remedy system All calls logged on the remedy system were resolved at an average completion time of 21 hours per call	Repair turnaround time: Distance <100 km: 9 hours <200 km: 11.5 hours >200 km: 14 hours	<100 km: 10.3 hours <200 km: 15.9 hours >200 km: 16.8 hours		Most machines have exceeded five years in operation, and this has resulted in an increase in maintenance calls received	
Number of provinces entered into memorandum of understanding for the settlement of long outstanding debts (120 days, 90 days, 60 days) and timeframes for the payment of cards ordered	N/A	6 provinces entered into memorandum of understanding for the settlement of long outstanding debts (120 days, 90 days, 60 days) and timeframes for the payment of cards ordered	None of the provinces have signed MoU. MoUs were presented to 4 provinces, namely KwaZulu-Natal, Eastern Cape, Mpumalanga and Gauteng	None of the provinces have signed MoU	Delays experienced during the engagement process with provinces	
Collected debts 60 days and older	N/A	R13 million	R15.9 million	No deviations	No deviations	
Improved ratio of current assets to current liabilities		Ratio of current assets to current liabilities 1:1	2.86:1	No deviations.	No deviations	
Delegations specific to DLCA	Financial and procurement delegations were developed and approved by the accounting officer	Review delegations	Delegations were reviewed	No deviations	No changes were identified	
Risk assessment done	None	1 assessment	Process and strategic risk assessment conducted	No deviations	No deviations	
Risk Committee established	N/A	Risk committee established	DLCA management committee serves as risk committee	No deviations	No deviations	
Number of policies specific to DLCA approved	19 policies were developed and approved	10	3 policies identified as crucial were developed	7	Work in progress.	
Number of policies specific to the DLCA implemented	N/A	5	19 policies were implemented during the year	No deviations	No deviations	

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Subprogramme: Driving Licence Card Account (DLCA)					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
Number of monthly checklists completed to monitor compliance	0	12	12 checklist reports completed	No deviations	No deviations
Number of positions filled	<ul style="list-style-type: none"> - Four contract positions filled - Successful candidate for Deputy Director: Financial Accounting approved by Accounting Officer 	10 positions filled	7 posts filled	3 posts	<ul style="list-style-type: none"> - Capacity constraints at SAQA
Asset management and verification plan	<ul style="list-style-type: none"> - A draft asset management plan has been completed - An asset verification plan has been completed - The asset verification has been conducted and completed for 8 out of 9 provinces during the year. Northern Province partially completed 	<ul style="list-style-type: none"> - Asset management plan approved and implemented - Asset verification plan completed and verification conducted 	<ul style="list-style-type: none"> - The asset management plan presented and adopted by provinces - Asset verification plan completed - Asset verification conducted for all 9 provinces 	No deviations	No deviations
Debt collection strategy reviewed and implemented	<ul style="list-style-type: none"> - Debt collection strategy completed during December 2011 - Debt policy developed and approved - Submission issued to the accounting officer on 27 March 2012 recommending actions to be taken aligned with debt collection strategy - Meetings with provincial senior management for KwaZulu-Natal, Mpumalanga and Free State were held on 5 December 2011, 17 Jan. 2012 and 28 March 2012 respectively 	Implementation of debt collection strategy, monitoring and review	<ul style="list-style-type: none"> - Debt collection strategy was reviewed and implemented - Interest on long outstanding debt implemented on 31 October 2013 - Meetings with provincial seniors 	No deviations	No deviations

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Subprogramme: Driving Licence Card Account (DLCA)					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
Debt collection strategy reviewed and implemented	<ul style="list-style-type: none"> - Meetings with 5 Mpumalanga driving license testing centres owing more than R100 000 on +120 days were held in Libangeni, Govan Mbeki, Nelspruit, Witbank, and Belfast to discuss payment methods of outstanding balance - Letters of demand from the accounting officer were issued to all debtors owing more than R100 000 on 90 days and above in December 2011 and letters for other debtors were issued in January 2012 and February 2012 - eNaTIS notification was placed on 03 February 2012 informing DLTCs that card fees are payable within seven days - Monthly invoices and statements are issued and communicated through post and e-mails - Database for all Driving Licence Testing centres (377) was updated - Presentation of debt management strategy to the Committee of Transport Officials on March 2012 		<ul style="list-style-type: none"> - Four DLTCs in Mpumalanga have signed settlement agreements and one in Eastern Cape - Letters of demand were issued to all the debtors from February 2013 - Monthly invoices are issued and communicated through post and e-mails. 	None	None
			<ul style="list-style-type: none"> - Database for all the Driving License Testing Centres updated. 		

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Subprogramme: Driving Licence Card Account (DLCA)					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
Improved liquidity (current assets > current liabilities)	N/A	Improve liquidity by at least R30 million	R45 million	No deviations	No deviations
Tariff fees increased	N/A	Approval of the adjusted tariffs by Minister and National Treasury	Tariffs fee increase process finalized	No deviations	Delays due to change of Executive Authority
Unqualified audit report		Unqualified audit report issued by Auditor-General	Unqualified audit report for 2011/12 was issued by Auditor-General	No deviations	No deviations
		Areas of the legislation that need amendment are identified	No amendments were implemented; the project has been transferred to the standard regulation section	No deviations	No deviations
Full compliance with National Treasury framework for strategic plans, budgeting and managing performance		<ul style="list-style-type: none"> - 4 quarterly reports on achievement of objectives - 4 quarterly compliance checklists - 1 Annual report - Estimates of National Expenditure submitted to National Treasury - 9 monthly risk management reports - Process risk assessment conducted for Fixed assets, Revenue, Expenditure, Contract Management, Financial Reporting Strategic & budgeting - Strategic plan 12/13 14/15 reviewed 	<ul style="list-style-type: none"> - 4 quarterly management accounts submitted - 4 reports submitted - Annual report has been tabled in Parliament - ENE was issued to National Treasury and has been published - 9 monthly risk reports prepared: May, July, August, October, November, December, January, February, March - Strategic plan has been reviewed approved by the Minister 	No deviations. No deviations. No deviations.	

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Subprogramme: Driving Licence Card Account (DLCA)						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Monthly financial reports submitted	12 management accounts have been issued	12 reports	12 management account reports submitted to National Treasury	No deviations	No deviations	
Number of committee meetings held		25 meetings for established committees	Total 16 committee meetings were held as follows: 6 Audit Committee meetings, 5 Audit Steering Committee meetings, and 5 Management Steering Committee meetings	9 meetings	- 1 Audit Committee - 6 Management Steering Committee - 2 Audit Steering Committee meetings were not held	
Subprogramme: Roads Public Entity Oversight						
Approved Strategic Plans and Annual Performance Plans (APPs) of 5 roads public entities annually	All the roads public entities Strategic Plans for 2011/12 are approved by the Minister	Approval of final Strategic Plans and APPs by the Executive Authority (EA) by 31 March 2012	All roads entities Strategic Plans and APPs for the 2012/2013 are approved by the Minister	No deviations	No deviations	
Reports on analysis of quarterly reports against the APP	All quarterly reports submitted and analysed	Approval of quarterly reports by the EA per quarter	All quarterly performance reports were submitted, analysed and feedback provided to the boards of public entities	No deviations	No deviations	
Report on analysis of Annual Reports prepared for the AGMs	Annual reports of the public entities submitted and analysis report prepared for the AGMs	Approval of analysis reports by the EA by end of September 2012	Annual reports of the public entities submitted and analysis report prepared for the AGMs	No deviation	No deviations	
Implementation of Electronic Performance Management System (EPMS) for all 12 public entities	The User Requirements Analysis and the Document workflow model developed during 2011/12	Implementation and monitoring of EPMS	The pilot was not implemented	EPMS not implemented due to non-functionality of E-DoT	Re-engineering of DoT IT infrastructure and capacity to accommodate the EPMS	

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PROGRAMME 5: CIVIL AVIATION

Purpose:

To facilitate the development of an economically viable air transport industry that is safe, secure, efficient, environmentally friendly and compliant with international standards through regulation and investigation and to oversee aviation public entities (and oversee and manage the national aviation and maritime search and rescue regime).

Sub – Programmes

Aviation Regulation
Aviation Infrastructure and Industry Development
Aviation Safety and Security

Strategic objectives, performance indicators and planned targets

- To effectively regulate air transport
- To ensure effective air transport regulation
- To improve airfreight services
- To revise the National Civil Aviation Policy
- To develop the National Strategy for Airport Infrastructure
- To enhance civil aviation regional and international cooperation
- To continuously improve civil aviation safety
- To continuously improve civil aviation security
- To integrate aviation search and rescue regimes, services and systems within the region
- To implement the Medium Earth Orbit Search and Rescue (MEOSAR) satellite system as a regional initiative
- To facilitate and enhance programme that seek to transform and develop the industry at downstream
- To improve airport/airspace efficiency at congested airports
- To minimise aviation emissions
- To monitor performance of three (3) aviation public entities with the legislative framework, annually.

Significant Achievements

Airport/Airspace Slot Coordination Framework: In 2012/2013, the Programme developed a draft slot coordination framework aimed at improving efficiencies at Slot Coordinated Airports and the appointment of a Slot Coordinator. The Programme embarked on the process of drafting regulations to govern the use and management of slots at congested airports. The aim of such regulations is to increase efficiencies at congested airports to streamline slot utilisation and to sweat the existing capital infrastructure. On completion of the draft regulations, the document was submitted to the Civil Aviation Regulations Committee (CARCOM) for further consideration and consultation with industry and the wider public; prior to submitting the consulted regulations to the Minister of Transport for approval. The Airport Slot Regulations, 2012, made in terms of section 155 of the Civil Aviation Act, 2009, were subsequently promulgated on 22 February 2013. In terms of these Regulations, the Air Traffic and Navigation Services Company (ATNS) has been appointed as the Slot Coordinator for South Africa.

Aviation Security: South Africa recently passed an aviation security audit conducted by the United States of America. The passing of this audit is very critical for South Africa as it facilitates the continuation of flights to the USA by South African Airways.

Independent Aircraft Accident and Incident Investigation Body: A Memorandum of Understanding (MoU) between the South African Civil Aviation Authority (SACAA) and the Department of Transport has been drafted and submitted to the Minister of Transport for signature. This MoU facilitates the separation of the aircraft accident and

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incident investigation function from the SACAA. This is an International Civil Aviation Organisation (ICAO) requirement which calls for the separation of the aircraft accident and incident investigation function from the scope of work of the SACAA.

National Airports Development Plan (NADP): In the preparation of the finalisation of the NADP, the Department undertook a programme of consultation with the provinces and stakeholders. To date, thorough consultations were done with the Gauteng and Mpumalanga provinces. The issues of application by the two provinces of more international airports being Inkangala, Rand and Grand Central Airports were discussed.

International Civil Aviation Day and Industry Development: The Programme hosted a resoundingly successful International Civil Aviation Day (ICAD) 2012 that is celebrated annually on 07 December by all member states of the International Civil Aviation Organization (ICAO) in fulfilment of the ICAO's Assembly Resolution A29-1. It was hosted by the North West Provincial Government at Mafikeng Airport in partnership with the various stakeholders in the aerospace industry organized under the banner of Joint Aviation Awareness Program (JAAP) of which the DoT is a partner.

The purpose of the annual celebration is a) to establish and reinforce worldwide awareness of the importance of international civil aviation in the social and economic development of States; and b) to highlight the role of ICAO in promoting the safety, efficiency and regularity of international air transport. Its aim is to reach out to people in communities, which are less exposed to aviation. The format of ICAD 2012 celebration entailed a two-day aviation career expo held at Mafikeng Airport. Sixteen exhibition stands were erected by the aviation industry stakeholders wherein 154 educators and 2 270 Grade 10–12 learners from 79 schools were exposed to a range of careers available in the aviation industry.

These learners were invited from the schools falling within the various districts of the North West province. Worthy to mention, 120 of the invited learners are those living with minor disabilities and they were from the schools adjacent to Mafikeng Airport. The main day, being ICAD, was reserved for the formal programme wherein the Honourable Premier of the North West province, Ms Thandi Modise delivered the key note address to approximately 500 invited dignitaries and guests. The day ended with a magnificent airshow display performed by the pilots from the South African Air Force (SAAF), the South African Airways (SAA) and the South African Police Service (SAPS).

As the ICAD is celebrated yearly on 07 December, it summits the ongoing Promotion of Aviation Amongst Learners as a Career of Choice. The latter seeks to contribute towards unwinding the legacy of the past, namely marginal participation of previously disadvantaged individuals (PDIs) in the aviation industry. This is addressed through month-to-month aviation career awareness campaigns that bring together aviation role players to pursue and achieve transformation of the aviation industry by ensuring that historically disadvantaged youth have access to aviation as a discipline and also play a part in the initiatives aimed at educating, raising awareness and career development.

During the 2012/2013 financial year, the Programme, working together with the JAAP Member Organizations, managed to reach out to 214 schools across the nine provinces of the country. This number has surpassed the target of 70 schools, which was set at the beginning of the current financial year. In an attempt to take the promotion of aviation career awareness amongst learners to new heights and also to upscale critical skills in the aviation industry, the ICAD 2012 event succeeded in identifying three student pilots from one of the local aviation partners, namely the Afrika Union Aviation Academy (AUAA) for whom sponsorship is being sought to support them further in their training towards attaining their Commercial Pilots Licences (CPL) during the 2013/2014 financial year.

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Programme: Civil Aviation					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance	
Reviewed Airlift Strategy	Draft Airlift Strategy	Approval by Cabinet	The draft Airlift Strategy has been finalized and is ready for submission to Cabinet for approval.	Role players and stakeholders were not readily available during the consultation process	
Negotiated and reviewed bilateral air services agreements	Strategic Planning Committee meetings	Identify and engage a minimum of 8 key countries	Signed Air Services frameworks with South Korea, Namibia, Maldives and Nigeria	Moratorium on International Travel	
Liberalized air services frameworks at SADC and in Africa	Strategic Planning Committee meetings	Facilitate the establishment of the institutional framework	Ongoing implementation of the Yamoussoukro Declaration (YD)	Moratorium on International Travel/Late confirmations of dates for consultations	
Reviewed regulatory framework for ACSA and ATNS	A Funding Model and Regulations for the Airports Company South Africa and the Air Traffic and Navigation Services	Incorporate the funding model and regulations into the Permission Application Processes	The funding model completed and adopted in principle by the industry. The Airports Company Act Draft Bill and the Air Traffic and Navigation Services (ATNS) Act Bill are ready for consultation with the industry	The delay with the appointment of the Regulating Committee	
Forecast and planning framework	Forecasting and Planning Framework in place	Collect and analyse data to monitor industry performance/forecast industry performance	<ul style="list-style-type: none"> - Benchmark and continuous collaboration with stakeholders are currently underway - Data is continuously collected and tested against the different approach to forecasting and planning 	The delays in the procurement of the specialized forecasting computer software licence	
Managed Permission Application Process for ACSA and ATNS	Approved Permission for the 2013/14 to 2017/18 and the Gazetted Correction Factor for the year ended 31 March 2012	Facilitate the "Approach to the Permission" process and the Permission Application Process	The regulated companies (ACSA and ATNS) accepted the tariffs as approved by the regulator for the 2010/11 to 2014/15 fourth and fifth year	The delay with the appointment of the Regulating Committee	
Developed Airfreight Strategy	Project was not implemented due to a lack of funding	Developed Airfreight Strategy	Project was not implemented due to a lack of funding	The delay is due to a lack of funding	
National Civil Aviation Policy reviewed	The Draft White Paper (DWP) has not yet been approved by Cabinet during the period under review	Cabinet approval and completion of Parliamentary processes	<ul style="list-style-type: none"> - The draft White Paper on National Civil Aviation Policy (DWP) was Due to the lapse in time and the appointment of senior managers in the newly restructured Branch Civil Aviation, the document was subjected to further internal review Systems. 	<ul style="list-style-type: none"> - Additional work done on the DWP revealed that additional inputs and consultation would be required to address the new developments relating to environmental matters (domestic and notably at the International Civil Aviation Organization (ICAO)) as well as Unmanned Aircraft Systems 	

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Programme: Civil Aviation					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance	
Approved National Airports Development Plan (NADP)	<ul style="list-style-type: none"> - Internal review of the NADP Report has highlighted weaknesses which are being addressed in consultation with the South African Civil Aviation Authority regarding key airport regulatory matters. Further consultation with industry stakeholders to continue in the next financial year - Outdated statistics and related data were identified and partially addressed during the period under review. This process will continue in the next financial year 	<ul style="list-style-type: none"> - Broader stakeholder consultations - Final review of NADP 	<ul style="list-style-type: none"> - The DWP is also impacted by work being done on the current National Airports Development Plan Project and Airlift Strategy - Various consultation workshops were held with stakeholders - The draft NADP is being updated on an on-going basis 	<ul style="list-style-type: none"> - The DWP is also impacted by work being done on the current National Airports Development Plan Project and Airlift Strategy - Extent and complexity of weaknesses found during review necessitated extensive further research and consultations - Various key challenges were identified during consultations during the period under review, which will require further investigation. It is expected that this process will include the commissioning of formal research as well as the development of prediction models 	
Facilitate the effective representation of South Africa at SADC, Africa and international civil aviation fora	Existing Conventions and Protocols	SA represented at SADC, AFCAC and ICAO	<ul style="list-style-type: none"> - South Africa was represented in 3 African Meetings - South Africa was represented in 8 International Meetings 	<ul style="list-style-type: none"> - South Africa was not at 3 African Meetings due to late and none approval of submissions - South Africa was not represented on 3 International Meetings due to late and none approval of submissions 	
Enhanced/effective communication with SADC, AFCAC, and ICAO through state letters	Existing Conventions and Protocols	Timeous processing/ response to all state letters	159 Regional and 90 International State Letters were processed	State letters not responded to were due to our Agencies not responding	
Effective management of the National Air Transport Facilitation Committee (NATFC)	Existing Conventions and Protocols	Promulgation of the NATFC	A submission was drafted requesting the Minister to Appoint Mr Peege as the Chairperson and Ms Naidoo as the Deputy Chairperson	The Minister and Deputy Minister raised concerns regarding the recommendation that Mr Peege be the Chairperson while Mr Thwala is the DDG: Civil Aviation	

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Programme: Civil Aviation				
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance
Ratified civil aviation conventions and protocols	Existing Conventions and Protocols	Ratification of 4 recently adopted international legal instruments	<ul style="list-style-type: none"> Convention on Composition for Damages Caused by Aircraft to Third Parties and Convention on Compensation for Damage to Third Parties Resulting from Acts of Unlawful Interference Involving Aircraft Convention on the Suppression of Unlawful Acts Relating to International Civil Aviation and Protocol Supplementary to the Convention for the Suppression of Unlawful Seizure of Aircraft. 	<ul style="list-style-type: none"> Both Conventions have not yet been ratified as there is a challenge with regards to the legal opinion from the Department of Justice. A meeting was held with the Chief State Law Adviser, where the purpose and background on these Conventions were explained and he undertook to relook the opinions. We are awaiting the Chief State Law Adviser's revised opinion. The Convention and Protocol on the oppression of Unlawful acts relating to international civil aviation. The initial Presidential Minutes expired. We are currently in the process of requesting for new Presidential Minutes. It is envisaged that the Minister will sign the Convention and Protocol during the ICAO Assembly, which is scheduled to take place in Montreal, Canada during the period 24 September to 4 October 2013
<ul style="list-style-type: none"> Promulgated regulations (aviation safety) Established Aviation Appeals Committee 	<ul style="list-style-type: none"> Programme ongoing in updating new ICAO SARPS Appeals Committee established 	<ul style="list-style-type: none"> Review and update regulations in line with the ICAO SARPS Fully functional Aviation Appeals Committee 	<ul style="list-style-type: none"> Regulations received and processed for Minister's approval Secretariat assistance provided by the Department to the Appeals Committee 	<ul style="list-style-type: none"> No variance No variance
Established Independent Aircraft Accident and Incident Investigation Body (IAAIIIB)	Amend the Civil Aviation Act	Establishment of the IAAIIIB	The Civil Aviation Act 2009 needs to be amended regarding (AAIIB)	The Civil Aviation Act needs to be amended
Promulgated regulations (Aviation security)	Programme ongoing in updating new ICAO SARPS	Review and update regulations in line with the ICAO SARPS	Regulations received and processed for Minister's approval	No variance

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Programme: Civil Aviation					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance	
Aviation Security (AVSEC) Audit facilitated	Corrective action plans ongoing	Closing of findings	Ensure that the ICAO findings are closed to achieve a clean audit	No variance	
Reviewed National Security Programme (NASP)	Programme ongoing in updating new ICAO SARPS	Amendment and approval of the NASP	Consultation with aviation security stakeholders	No variance	
Facilitated the establishment of a One-stop Aviation Security System within the region	Intention is to receive buy-in from stakeholders and industry	Presentation to the SADC - Civil Aviation Committee Conduct a security risk assessment	Conduct a security risk assessment	No variance	
Institute a legal instrument on restriction/addition of Chapter 2 aircraft in our register by December 2013	Identification of Chapter 2 Aircraft still in South African Register	Finalization of stakeholder consultations and business plan development	Stakeholder consultations concluded and a Proposal for amendment of Civil Aviation Regulations submitted to Civil Aviation Regulations Committee. CARCOM to determine future steps	No variance	
Institute a regional awareness programme on the elimination of Chapter 2 aircraft by December 2014	Develop Draft Awareness Programme	Phasing out of Chapter 2 aircraft by December 2014	Ad-hoc Awareness Programme ongoing but a submission to the Minister is under preparation	Our political principals had to be sensitized first	
Compliance with the ICAO Assembly Resolution A37	Data collection for State Action Plan	Finalize and implement the strategy	Collected data on State Action Plan on Carbon Dioxide emissions reduction and consulted stakeholders	Stakeholder consultations on Resolution A37 on Environmental Protection have taken longer as the above resolution is vast	
A37 Assembly Resolution supported	Inform stakeholders of the 37th ICAO Assembly Resolution	Prepare a working paper to the A38	Stakeholder consultations and attendance of relevant ICAO meetings whose outcome will form the basis	Further stakeholder engagement and relevant meetings key to the working paper had to precede Working Paper preparation	

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Programme: Civil Aviation				
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance
Standardized SAR regulations for the SADC region	Participate in a seminar to discuss the standardized Search and Rescue Regulations with SADC Counterparts	Obtain SADC structure's approval	<ul style="list-style-type: none"> - Tabled a Working Paper before the SADC Civil Aviation Committee for endorsement of the integration process and the establishment of a Search and Rescue Working Group to take the process forward. A review of the draft regulations will form part of the Terms of Reference of this Working Group - The Working Paper was not considered by the Civil Aviation Committee as the Department was not represented at the meeting - Following the above setback, a national SAR Documentation Working Group was established to review the draft standardized SAR regulations for the region. The Working Group met from 19–23 November 2012 to review the document. - The Working Group worked on the draft SAR regulations paragraph by paragraph effecting changes directly on the document as they proceeded. The revised draft SAR regulations were not sent to relevant sister departments as it was necessary that they be endorsed by the SASAR Executive Committee - The Committee at its 43rd session endorsed the draft regulations in principle subject to incorporation of any further comments by its members by end of March 2013 to enable the Department to finalize its national consultations 	<ul style="list-style-type: none"> - SADC structure's approval was not obtained due to failure on the Department to be represented at the 15th session of the SADC Civil Aviation Committee to present the Working Papers. The WPs will be re-submitted to CAC 16 - Sister departments were not consulted pending endorsement of the revised draft regulations by the SASAR Executive Committee - The revised regulations were considered endorsed by the Committee after no further comments were received from members of the above Committee. Consultation with sister departments will commence shortly

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Programme: Civil Aviation				
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance
Signed MoU on the coordination of SAR services by SADC Member States	<ul style="list-style-type: none"> - Commented on the draft Memorandum of Understanding (MoU) at the request of the International Civil Aviation Organization's representative - Participated in the seminar to discuss the MoU with the SADC counterparts. 	Obtain SADC structure's approval	<ul style="list-style-type: none"> - Tabled a Working Paper before the SADC Civil Aviation Committee for endorsement of the integration process and the establishment of a Search and Rescue Working Group to take the process forward - A review of the draft regional SAR Plan was to form part of the Terms of Reference of this Working Group - The Working Paper was not considered by the Civil Aviation Committee as the Department was not represented at the meeting - The Working Paper was not considered by the Civil Aviation Committee as the Department was not represented at the meeting - Following the above setback, a national SAR Documentation Working Group was established to review the draft regional SAR Plan in order to produce a preferred draft nationally before engaging the region. The Working Group met from 19–23 November 2012 to review the document. The Working Group worked on the draft SAR Plan paragraph by paragraph effecting changes directly on the document as they proceeded - The Committee at its 43rd session endorsed the draft plan in principle subject to incorporation of any further comments by its members by end of March 2013 to enable the Department to finalize its national consultations 	<ul style="list-style-type: none"> - SADC structure's approval was not obtained due to failure on the Department to be represented at the 15th session of the SADC Civil Aviation Committee to present the Working Papers - Sister departments were not consulted pending endorsement of the revised draft regulations by the SASAR Executive Committee.

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Programme: Civil Aviation				
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance
Established Regional SAR Co-coordinating Committee with clear Terms of Reference	Participate in a seminar to discuss the SADC Search and Rescue Coordinating Committee's Terms of Reference with the SADC counterparts	Obtain SADC structure's approval	<ul style="list-style-type: none"> - Tabled a Working Paper before the SADC Civil Aviation Committee for endorsement of the integration process and the establishment of a Search and Rescue Working Group to take the process forward. The establishment of the regional SAR Coordinating Committee and a review of the draft TORs would form part of the Terms of Reference of this Working Group. - The Working Paper was not considered by the Civil Aviation Committee as the Department was not represented at the meeting - Following the above setback, a national SAR Documentation Working Group was established to review the draft TORs with a view to formulate a national draft acceptable to all national stakeholders before engaging the region. The Working Group met from 19-23 November 2012 to review the document - The Working Group worked on the draft TORs paragraph by paragraph effecting changes directly on the document as they proceeded. The revised draft TORs were tabled before the SASAR Executive Committee for endorsement - The Committee at its 43rd session endorsed the revised TORs in principle subject to incorporation of any further comments by its members by end of March 2013 to enable the Department to finalize its national consultations 	<ul style="list-style-type: none"> - SADC structure's approval was not obtained due to failure on the Department to be represented at the 15th session of the SADC Civil Aviation Committee to present the Working Papers. The WPs will be re-submitted to CAC 16

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Programme: Civil Aviation					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Reason for variance	
Cost effective Cospas-Sarsat MEOSAR system within the SADC region	Consulted with the relevant national stakeholders	Convene a consultative conference on the MEOSAR system to develop an Action/Implementation Plan	The event postponed due to poor response from SADC countries.	Poor response from SADC States compelled the Department to postpone the event	
Commemorated International Civil Aviation Day (ICAD) 2012	Aviation stakeholders organized under the banner of Joint Aviation Awareness Programme (JAAP) championed the celebrations of International Civil Aviation Day (ICAD) at Bulembu Airport in the Eastern Cape province	Commemorate the International Civil Aviation Day (ICAD) 2012	<ul style="list-style-type: none"> - Commemorated the International Civil Aviation Day (ICAD) 2012 - The milestones achieved include the two day aviation career expo, from 06 – 07 December 2012, held at the Mafikeng Airport. 16 exhibitors showcased their aviation activities - Approximately 2 500 Grade 10-12 learners together with 155 educators from 79 schools of the North West passed through the exhibition stands - During ICAD 2012, 3 student pilots who are PDIs and with no financial sponsorship were selected from the Aviation Union Academy (AAUC) and sponsorship has been secured for them through TETA to further their training to attain the Commercial Pilot Licences (CPL) 	No variance.	
Promoted aviation awareness	Visited 221 schools in Limpopo, Free State, Gauteng, Mpumalanga, KwaZulu-Natal and Eastern Cape provinces	Visit 70 schools in all 9 provinces	The DoT working together with the JAAP Member Organizations reached out to 214 schools to promote aviation as a career of choice amongst learners across the 9 provinces	No variance	
Airport/airspace Slot Coordination Framework	Complete research on the appropriate model for the Slot Coordination Framework to be implemented within South Africa	<ul style="list-style-type: none"> - Slot Coordination Framework completed - Slot Coordinator appointed Implementation of framework	Airport Slot Regulations, 2012, made in terms of section 155 of the Civil Aviation Act, 2009, were promulgated on 22 February 2013. In terms of these Regulations, ATNS has been appointed as the Slot Coordinator for South Africa	No variance	

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Subprogramme: Public Entity Oversight Aviation					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
Approved strategic/corporate plans and annual performance plans (APPs) of 3 public entities annually	<ul style="list-style-type: none"> - Approved ACSA and ATNS's Corporate Plans, and SACAA's Strategic Plan for 2011/12 - Approved ACSA and ATNS's Shareholder Compacts and SACAA's Performance Agreement for 2011/12 	Facilitate submission and approval of ACSA and ATNS Corporate Plans and SACAA's Strategic Plan by the Executive Authority by 31 March 2013	<ul style="list-style-type: none"> - ACSA and ATNS's Corporate Plans and Shareholder Compacts for 2013/14 were approved by the Minister on 11 March 2013 - SACAA's Strategic Plan, APP and Performance Agreement for 2013/14 were approved by the Minister on 11 March 2013 - Aviation public entities' Corporate/ Strategic Plans and APP for 2013/14 were tabled in Parliament on 14 March 2013 	No variance	None
Approved reports on analysis of quarterly reports against the annual performance plans (APPs)	Public entities quarterly reports have been submitted, analyzed and feedback has been provided to the Boards of public entities	Facilitate submission of quarterly reports, prepare analysis report and provide feedback to Boards of public entities, quarterly	Quarterly reports have been submitted, analyzed and feedback provided to the Boards of the respective entities	No variance	None
Reports on analysis of annual reports prepared for the Annual General Meetings (AGMs)	Reports on analysis of annual reports prepared for the AGMs by end September	<ul style="list-style-type: none"> - Facilitate submission of annual reports by 31 August - Prepare analysis report for the AGMs by end September 	Briefings on analysis of Annual Reports for ACSA, ATNS and SACAA compiled and presented to the Minister	No variance	None

PERFORMANCE INFORMATION

for the year ended 31 March 2013

PROGRAMME 6: MARITIME TRANSPORT

Purpose

Coordinate the development of a safe, reliable and viable maritime transport sector by developing policies and monitoring and exercising oversight of maritime public entities.

Strategic Objectives:

- To develop maritime transport policy and legislation
- To improve Maritime safety and security
- To create jobs through improved capacity and systems to develop and train seafarers
- To reduce levels of pollution at sea
- To promote catalytic initiatives in the Maritime transport sector

Performance indicators and targets:

In the area of policy and legislation development, the following key performance indicators have been achieved:

The Ballast Water Bill that will give effect to the Ballast Water Convention that SA acceded to has been drafted and consulted extensively with stakeholders in the maritime transport sector. This Bill will prevent pollution of SA ports by effective ballast water treatment.

Two conventions on prevention of pollution by ships, MARPOL Annex IV and VI, have been approved for ratification by Cabinet. The ratification and adoption of these conventions into domestic laws will enable South Africa to comply with international standards and rules.

The Maritime Labour Convention of 2006 and its accompanying Bill have been approved for domestic legislation by the NEDLAC. This convention empowers the seafarers and gives them access to fair labour conditions internationally.

The IMO technical cooperation working group agreed to provide the branch with an expert that would assist with the revamping of the Merchant Shipping Bill of 1957.

The Inland Waterways Strategy has been introduced to the Small Vessels committee of stakeholders. If adopted by the relevant stakeholders, this strategy will assist with curbing the number of incidents in our inland waterways and dams.

Successful progress was made to reduce the SEL1 wreck in Blouberg Strand, at no cost to the DoT. The wreck reduction has resolved the threat of interdepartmental dispute with the City of Cape Town and all issues raised by the Public Protector.

The audit of ports security as per ISPS code was initiated and the ports of KwaZulu-Natal as well as Eastern Cape have been fully audited for compliance with the ISPS code. The results of these audits will be available in the 2013/14 financial year.

The Diplomatic Conference on the Torrelimonos Convention was successfully held in Cape Town in October 2012. The conference resulted in the adoption of the Convention after more than 30 years of negotiation. This Convention seeks to protect the life of seafarers on fishing vessels and thus reduce the number of incidents and fatalities at sea within the fishing community.

The World Maritime Day was successfully hosted in the Eastern Cape. During this event more than 100 students from disadvantaged communities were given an overview of career and skills development opportunities that exist in the maritime transport sector.

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Programme: Maritime Transport					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
Position paper on the trends in port efficiencies, operations and management		Papers on the current levels of port efficiency and recommendations on best practices and regulatory measures to be adopted	A study of economic participation at SA ports have been completed by Ports Regulator. It was agreed that Ports Regulator will propose measures for adoption	Ports Regulator to lead based on capacity and experience	None
Study on effectiveness of administration and services of current ship registry	<ul style="list-style-type: none"> - Analysis of proposal in previous studies. Workshop with key stakeholders in government - Comparison of open and closed ship registers in selected countries 	Increase in the number of ships registered in the South African Register	A workshop was held with three major shipping lines to understand reasons for not registering in SA. The findings have led to a broader survey with SASOA and will inform the draft policy	Actual increase in ships on register is the mandate of SAMSAs. DoT can only provide a stimulating legislative environment and that part of the work has been completed through the policy	Entity still to implement
Evaluate implementation of Ports Act and proposed amendments	Discussion at NPCC level to get consensus on proposed amendment	Approved amendments on section 3(2) of the National Ports Act	The proposed amendments have been submitted to the Minister and the comments are being implemented	Project is now closed since the Ports Act has been fully endorsed for implementation in MTSF 2012-17	None
Evaluate efficiency of freight logistics and cargo tracking	Desktop research completed	Freight Logistics Database developed	ToR developed. Service provider not yet appointed	The freight logistics database project is being done in ITP branch and has hence been handed over to ITP	Delays in SCM processes
Develop a Green Paper on Maritime Shipping Policy (coastal, trans-shipment, ship repair registration, recycling, etc.)	A study on the economic trends and analysis of the maritime transport sector was completed in 2011	Green Paper on shipping policy approved and ready for launch	Green Paper on Maritime Shipping completed and consultations took place. Decision taken to complete Maritime Transport policy through a Steering Committee	The Green Paper process has been completed. The next step is the update of the overall policy	None
Review of SAMSAs Act	Comparison of mandate of the entity with actual performance	Approved amendments on SAMSAs Act	Proposed amendment drafted. Consultations took place at various levels	Decisions reached to not proceed with amendment till policy finalised	Delays in finalisation of Maritime Policy
Review draft merchant shipping by completing IOPC, CLC, Ballast Water Act, safety regulations, MLC 2006 legislation	Consultation with various departments and NEDLAC in progress	Approved IOPC and CLC Bill and compliance to IMO Conventions	IOPC and CLC Bills approved by Minister and NT for tabling at Cabinet.	The Bills have been drafted in compliance with IMO conventions	None
<ul style="list-style-type: none"> - Development of MoU with relevant stakeholders on Djibouti Code of Conduct - National Coordination Strategy 	Consultation on the Djibouti Code with the State Security agencies and Dept of Home Affairs	Djibouti Code of Conduct signed and RSA ready for implementation	The Minister of Transport signed the Code in May at IMO. Implementation workshop with state security agencies held in December	<ul style="list-style-type: none"> - No variance - Code signed as targeted and being implemented 	None

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Programme: Maritime Transport					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
ISPS Code Awareness Campaigns	Awareness campaign in all ports	ISPS Code communicated nationally	Communication held at various events and during port security audits	No variance Communication took place as targeted	None
Develop an Inland Waterway Strategy	Strategy development in progress	Inland waterway strategy ready for publication	Inland waterway strategy has been completed	Comments from some key stakeholders outstanding before publication	Awaiting comments from stakeholders
Audit & evaluate implementation of safety regulations and compliance with international conventions and standards	Analysis of VIMS Audit findings from IMO	Maritime Transport Safety Compliance established	Framework for safety compliance audits developed and discussed with stakeholders. MoUs drafted for implementation	None	None
Framework for reporting on safety incidents defined and quarterly report available	Analysis of report from MRCC	Maritime Transport safety report established	Framework for safety report at various level of management developed. Implementation in 13/14. Safety report currently exists	None	None
Develop and monitor regional agreement on LRIT	SAMSA delegated the responsibility for LRIT agreements	Regional cooperation on maritime safety in place	The LRIT agreements have been developed by SAMSA as delegated	No variance	None
Promote career awareness in maritime transport sector	Previous World Maritime Day was hosted by SAMSA in Richard's Bay	Increase awareness and participation in the Maritime Sector. Promote the Port of Ngqura as the new deep water port in the Southern Africa	World Maritime Day 2012 successfully hosted in PE. Attended by more than 100 school learners as well as the leading maritime transport CEOs	No variance	None
Audit rate of employment creation in maritime transport sector over past 3 years and ongoing trend (emphasis on seafarers)	Skills audit and career workshop held by SAMSA in Richard's Bay	Report on rate of job creation in maritime transport sector	Fact finding on all studies done in that area – SAMSA's study, TETA's research and research by universities collated. In-depth analysis in progress	Lack of resources	None
Negotiate bilateral agreements to improve rate of employment of seafarers globally	Various bilateral and multilaterals in progress – ITEC, EU-SA, IBSA, India, etc.	Leverage globalisation to improve SA maritime transport sector and develop the industry locally and internationally	Drafted bilateral with Russia and Panama to improve training opportunities for SA seafarers. Leverage BRICS workshop in terms of strategy to get investment in maritime industry	Several initiatives take place at multi-lateral and bilateral levels to leverage opportunities for the development of this industry	None

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Programme: Maritime Transport					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
Develop business case for a coastal shipping line between Nggura and Richard's Bay (type of cargo, duration, cost, benefits)	Analysis of findings from study on economic trends in maritime transport	To establish feasibility of domestic coastal shipping	Agreement with HESA to source university for this research. Nelson Mandela University responded and its proposal was accepted. Single source tender process followed. Appointment to be final in May. Several meetings held with University's coordinator to refine the scope of the project	Not enough budget and expert required	Lack of capacity
Develop business case for ship acquisition and operations (sustainability based on cargo, crew, destinations, ROI, etc.)	Analysis of findings from study on economic trends in maritime transport	To establish financial sustainability of ship ownership and operations	Discussion with CSIR. CSIR not yet responded with a proposal based on the project scope	No budget and no expertise in-house	Lack of capacity
Study on carbon footprint in SA maritime domain	Analysis of outcome of IMO MEPC committee on ways to curb GHG by ships	Report on the extent of pollution by ship transportation in SA waters	ToR drafted and rejected by BIDCOM as too narrow. Desktop research to improve on project scoping	To avoid duplication with ITP, it will be a subset of a similar ITP project. Inputs have been forwarded to ITP	Duplication of roles in Department
Facilitate the implementation of multilaterals on environmental protection within maritime transport	Bid by SAMSA to host the RCC for the Indian Ocean regional committee	Regional cooperation on marine environmental protection established	Legal opinion obtained from SLA of Department of Justice and DIRCO. Both argued against the proposed Host Country agreement due to lack of financial information for sustainability and the issue around foreign officials	In its current state of the agreement, the RCC cannot proceed forward. Workshop with DIRCO and SAMSA to resolve the impasse and protect the interest of the State	Stakeholders engagements still in process
Development of salvage tug ownership and operations model	Analysis of feasibility study done by SAMSA	A Salvage Strategy with recommendation on the ownership and operations model for the State	ToR for existing operations has been submitted to Bidcom and bid advertised in March. Request for extension by prospective bidders. Committee for new tug boat model launched with key stakeholders		
Ratification of: MARPOL Annex IV and V Bunker Fuel Ship Wreck Removal	Cab memo prepared and redrafted for Annex IV and V	Compliance with international conventions (IMO) on marine environmental protection	Cab memo successfully approved by Cabinet for ratification of MARPOL Annex IV and V in September. The Ship Wreck Removal cab memo has been drafted and on its way to Cabinet. The Bunker Fuel cab memo has to be aligned with the decision by NT on collection and administration of funds for international organisations	NT has taken very long to finalise on administration of international funds. Their administration Bill that will give guidance on how to ratify on future conventions related to Fund, is still pending	Delays in finalisation of funding

PERFORMANCE INFORMATION

for the year ended 31 March 2013

PROGRAMME 7: PUBLIC TRANSPORT

Purpose

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. The branch also regulates inter-provincial public transport and tourism services and monitor and evaluate the implementation of the public transport strategy and the National Land Transport Act.

Strategic Objective

- To regulate public transport
- Public transport industry development
- Efficient and effective scholar transport system
- Development of integrated rapid public transport networks in 12 cities



PERFORMANCE INFORMATION

for the year ended 31 March 2013

Subprogramme: Public Transport Regulation						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
NLTA Amendment Bill	Amendment Bill developed and processed through parliament	Process Amendment Bill through Parliament	Draft Amendment Bill developed. Commenced stakeholder consultation	In addition to the provincial contracting function many more issues and comments emerged in the consultation process.	Consultations on the crafting of solutions took far more time than anticipated	
Establish national (NPTR) and provincial (PRE) and municipal (MRE) regulatory entities	2 PREs	3 PREs and 1 national. Continue studies towards establishment of MREs	<ul style="list-style-type: none"> - The NPTR was established. The Minister signed the establishment on 22 February 2013. Three PREs were supposed to be established, However, only one PRE was established in North West province. Other provinces do not have the capacity or resources to establish their PREs - This is a provincial function and the Department has provided guidelines on the establishment of PREs. The MREs are merely studies by municipalities. Cape Town has completed its study and eThekweni will complete their study in 2013 	Lack of capacity and resources in provinces to establish PREs. To date 5 PREs have been established since 2011	The function of the Department is to provide support to provinces in the establishment of PREs. Where they lack capacity the province delays the PRE establishment	
Train and place interns in municipalities and district municipalities		15	Initially, there were 19 intern intakes. However, 4 found employment in the course of the year. Hence, 15 interns were fully trained. Based on request by district municipalities, the programme was extended by 3 months and ended in June 2013	15 interns fully trained.	The target was met	

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Subprogramme: Public Transport Regulation						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Number of interprovincial and tourism OL applications processed by the national regulatory entity		500	The number of operating licences could not be processed as the sign off for the establishment of the NPRTR only occurred on 22 February 2013 as indicated above	The NPRTR was only established in February 2013. Hence processing of applications will only occur in late 2013	Due to change of Minister in July 2012, the establishment of the NPRTR was significantly delayed	
Number of appeal cases resolved	18	24	The number of appeals cases resolved could not take place as the Minister only signed off TAT establishment on 4 July 2013. However, 19 appeals were received in 2012/2013. These are now backlogs which the Department will have to resolve in 2013	The TAT was only established in July 2013. Hence appeal applications will only start in August 2013	Due to change of Minister in July 2012, there was significant delay in the establishment of the TAT	
Transport Forums are local municipal functions		17	The function was changed to Research and Investigations in the second quarter of 2012. This function will become operational once the Transport Appeal Tribunal (TAT) becomes operational in August 2013	This function does not exist anymore, as transport forums are municipal functions. The function has been replaced with Research and Investigations	This function has been replaced with Research and Investigations. The new function becomes activated once the TAT starts processing appeals in August 2013	
Subprogramme: Public Transport Industry Development						
Developed systems to ensure full participation of small bus operators in the public transport operations	Strategy and standard constitution for Small Bus Operators developed	Convene a national elective conference for small bus operators	The Conference was held with the exclusion of one province (Mpumalanga)	Legal action taken by some operators in Mpumalanga regarding the elective process in the province posed a risk of delaying the process of formalization and empowerment of Small Bus Operators. Two seats were reserved for the province at the national level pending the settlement of their disputes	The target was achieved including accommodating Mpumalanga on the national council	

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Subprogramme: Public Transport Industry Development					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
Managed and monitored the public transport contracts and institute subsidy management systems	Draft report (strategy) for sustainable funding of subsidized public transport services was developed	Approval of final funding strategy	A final funding (Public Transport Operations Grant) report for future road based public transport was released in December 2012. The aim of the report is to substantiate the viability of different funding options and the rationale for choosing the proposed funding solution as well as the expected outcomes, benefits and risks associated with the proposed funding option. A stakeholder meeting was convened where the report was presented to branches within the Department, provinces and municipalities	The funding report (Business Case) was more responsive and provided practical reasons for choosing a proper funding solution in conformity with existing policies rather than a strategy	None
Developed taxi industry empowerment implementation plan to support the TR3 2020 Strategy	Established a panel of experts	Implement TR3 2020 Strategy and finalize Terms of Reference to appoint service provider to develop a Cooperative Strategy for Public Transport	Drafted Terms of Reference for the appointment of a service provider to develop a Cooperative Strategy for Public Transport	None	None
Managed roll-out and monitoring of taxi recapitalization project and introduce environmentally friendly taxi vehicles	7 630 taxis to be scrapped	7 857 taxis to be scrapped.	6 457 taxis scrapped	Treasury reduced target to 6 000 vehicles for the financial year and budget reduced accordingly	None
Developed a public transport conflict resolution strategy	Appointed service provider to develop the conflict resolution strategy	Develop and workshop the strategy amongst stakeholders and finalize its development	Final document of the public transport conflict resolution strategy produced	None	None

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Subprogramme: Public Transport Network Development					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
Rea Vaya Phase 1B launched	<ul style="list-style-type: none"> - Rea Vaya Phase 1B infrastructure 99% completed: 18.5 km of dedicated trunk route completed - 15 stations completed - AFC equipment purchased for Phase 1A AND 1B - 143 buses will be required - Infrastructure roll-out on track. - Buses – 52 buses - 17 km of dedicated trunk route - 17 stations completed and operational - 131 feeder stops completed and operational - 16km in operation from May 2011. 2km additional already constructed 	<ul style="list-style-type: none"> - Advanced preparations to operate Phase 1B, Phase 1C detailed - planning completed - Incremental roll-out of Phase 1 into a full Phase 1 service in December 2013 	<ul style="list-style-type: none"> - Phase 1B vehicles ordered and to be delivered in time for an October 2013 start. - Phase 1C planning completed up to draft stage and awaiting Mayco approval by May 2013 - The feeder services started running in March 2013. - 46.9 km of feeder routes operational - Service in operation for 16 hours a day - Table View service of 17 km operational and the - Airport service of 18.7 km continues to operate 	<ul style="list-style-type: none"> - City has had delays in pre-negotiations with affected operators as well as needing to assure the Municipal Manager that all risks have been mitigated - There were delays w.r.t ordering buses; the city needed National Treasury approval for their proposed financial model for procuring buses - There were delays with regard to operational license application being challenged by other PT Operators for some of the feeder routes - The Court case with Golden Arrow was heard and is awaiting judgement 	<ul style="list-style-type: none"> - City has had delays in pre-negotiations with affected operators - Negotiations with current operators are proving difficult to conclude, e.g. City of Cape Town was in a fierce legal battle with the current bus operator over market share in operations
Libhongo Lethu (NMB) Phase 1		25 bus pilot project launched and operational	Project was launched in Nov 2012 and became fully operational in Jan 2013. The City still needs to do additional work to consolidate ridership	None	Target (pilot phase operations) achieved

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Subprogramme: Public Transport Network Development						
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance	
Draft operational plans for Msunduzi, Ekurhuleni and Mangaung	9 cities have completed their phase 1 operational plans	Draft operational plans for Msunduzi, Ekurhuleni and Mangaung	Ekurhuleni is still busy with refinement of the draft Operational Plan based on the recent Household surveys data which should be available end of June. The municipality is also at advanced stages for procuring services for preliminary and detailed designs where consultants will also be refining the operational plan. Msunduzi is also still busy with refinement of the draft Operational Plan based on the recent Household surveys data. They have commenced with detailed infrastructure designs. Mangaung have advertised an operations plan tender but are still to award	Mangaung not achieved. Still busy with SCM process	Delays in SCM processes in Mangaung	
Number of average week-day bus rapid transit passengers	- Rea Vaya is at around 42 000 - My CITI at around 12 000	- Rea Vaya at 50 000 and My CITI at 15 000	Both Rea Vaya and My CITI are to launch full smart card systems in April 2013 and it is only then that definite passenger trip data can be obtained. Current estimates show that Rea Vaya is at around 42 000 and My CITI at around 12 000	Both these systems are likely to get to their 2012/2013 targets only in 2013/14 due to delays in rolling out their additional services	Bus operator strikes that are not planned and at times taking too long to resolve affect passenger numbers targets	

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Subprogramme: Rural Scholar Transport					
Key performance indicator	Baseline (actual output) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement 2012/2013	Reason for variance
National Scholar transport policy & framework finalised and implemented	<ul style="list-style-type: none"> National household Travel survey (2005) Draft National Scholar Transport Policy 	Scholar transport policy finalised and implemented.	The National Scholar Transport policy was approved by the Director-General of Transport.	<ul style="list-style-type: none"> There has been delay in the finalisation of the policy due consultation process The policy will be submitted to the Minister for approval in the April 2013 	Stakeholders contested the location of contracting authority
National Scholar transport policy & framework finalised and implemented	<ul style="list-style-type: none"> National household Travel survey (2005) Draft National Scholar Transport Policy 	Develop Scholar Transportation framework inclusive of operating standards and safety guidelines	Draft Scholar Transport Operational Guidelines has been completed	None	Target achieved
Number of province migrated scholar transport from education to transport	5 provinces	9 provinces	5 provinces	The migration of transport function is determined by provincial legislators in terms of the draft polic	Stakeholders contested the location of contracting authority
A reviewed Rural Transport Strategy to address provincial implementation PTN plans	A questionnaire and a preliminary status quo report developed	Assessment report and questionnaires. Preliminary status quo reports. Updated rural transport strategy's action plan	A questionnaire and a preliminary status quo report were developed	The process to assess the impact is still in progress and this process need to be done after the strategy can be reviewed	Target achieved
Draft Rural Network plans for two district municipalities	Terms of reference and memo for the appointment of a service provider to develop rural network plans have been put into place	<ul style="list-style-type: none"> Analysis report of the current rural public transport services in two district municipalities Preliminary report on rural transport network operations 	Terms of reference and memo for the appointment of a service provider to develop rural network plans have been developed	There was a change of strategy to start with the development of the guidelines	Target (collection of status quo data for the guidelines development) achieved

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Linking performance with budgets

Financial Information

Voted Funds

Appropriation	Main appropriation R'000	Adjusted appropriation R'000	Actual amount spent R'000	Over/under expenditure R'000
Vote 37	38,828,952	39,647,228	39,328,215	319,013
Responsible Minister	Minister of Transport			
Administering Dept	Department of Transport			
Accounting Officer	Director-General of the Department of Transport			

Aim of Vote

Lead the provision of an integrated, sustainable, reliable and safe transport system through planning, development, coordination, promotion and the implementation of transport policies, regulations and strategies.

2.5 SUMMARY OF FINANCIAL INFORMATION

Departmental revenue, expenditure, and other specific topics

Collection of departmental revenue

	2009/10 Actual	2010/11 Actual	2011/12 Target	2012/13 Target	2012/13 Target	% deviation from target
Non-tax revenue						
Sales of goods and services	98,714	406,176	305,536	230,474	92,542	(59.8%)
	3					
	(5)					
	368					
	15,339					
Sales of scrap ,waste and other used current goods	3	1	0	2	2	0
Fines, penalties and forfeits	(5)	(1)	77	50	46	(8%)
Interest, dividends and rent on land	137	264	147	150	51	(66%)
Financial transactions (recovery of loans and advances)	7,225	2,404	6,740	7,000	85,686	1124%
TOTAL DEPARTMENTAL RECEIPTS	106,074	408,844	312,500	237,676	178,327	24.9%

Departmental expenditure

Programme	Voted for 2012/13	Rollovers and adjustments	Virement	Total voted	Actual expenditure	Variance
Programme 1.	317,473	16,376	57,050	390,899	359,582	31,317
Programme 2.	88,542	29,950	(6,750)	111,742	103,480	8,262
Programme 3.	10,298,893	2,471	(3,731)	10,297,633	10,286,554	11,079
Programme 4.	17,928,809	301,896		18,230,705	18,229,358	1,347
Programme 5.	70,022	450,284	501	520,807	411,788	109,019
Programme 6.	138,543	10,476	(13,570)	135,449	124,666	10,783
Programme 7.	9,986,670	6,823	(33,500)	9,959,993	9,812,787	147,206
Total	38,828,952	818,276		39,647,228	39,328,215	319,013

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Programme Expenditure

Administration

Invoices were not yet received from suppliers for the development of a Monitoring and Evaluation Tool (R235,000), for operational plans done for the Africa Cup of Nations tournament (R3 million), and for the Department's contribution towards the upgrade of premises (R6 million).

Funds were committed but remained unspent for the supply and installation of a PABX system (R5.7 million), supply and installation of microphones in Board Rooms (R468,000), supply and installation of door numbers and names (R615,000), the development of a policy for the Road Accident Benefit Scheme (R6.1 million), the appointment of transaction advisors for new premises (R3.6 million), and a public private partnership for a new fleet management services contract (R4.8 million). Transfers to universities and technikons was underspent by R242,218, because one university discontinued its programme. This amount, if a rollover is approved, will be paid to another university. All of the above was requested to be rolled over to the next financial year. The programme saved R554,000 on the procurement of furniture and equipment because posts could not be filled.

Integrated Transport Planning

Underspent on the development of a Transport Sector Economic Regulator (R686,000), consolidating the National Transport Databank (R2 million), completing a study on the Macro Economic Impact of Transport (R628,000), developing a Macro Planning Framework (R1.5 million), developing a Transport Greenhouse Gas Inventory (R1 million), and developing an Energy Consumption Framework (R1.5 million). Underspent R326,000 because posts could not be filled, and saved R703,000 on the procurement of furniture and equipment because posts could not be filled. The programme requested a rollover of R1.5 million to develop a Transport Rural Accessibility/Multi Deprivation Index for South Africa.

Rail Transport

The programme underspent R8 million on a feasibility study for the Moloto Corridor, which was committed and requested as a rollover. It also underspent R1.5 million set aside to develop a Service Level Agreement with the Passenger Rail Agency of South Africa to facilitate an institutional reform for rail, and saved R638,000 on the development of a Rail Policy and Act, which will continue over the medium term. The programme saved R70,000 on the procurement of furniture and equipment because posts could not be filled, and saved R849,000 on operational expenditure.

Road Transport

Road Transport underspent R485,000 because posts could not be filled, and saved R89,000 on the procurement of furniture and equipment because posts could not be filled. R765,000 was saved on investigations on issuing of fraudulent roadworthy certificates. An amount of R2.6 million was requested to be rolled over for investigations on the issuing of fraudulent roadworthy certificates.

Civil Aviation

An amount of R104.8 million was underspent on the upgrade of the Mthatha Airport Runway, because the timing of expenditure was miscalculated on the Adjusted Budget allocations. The programme also underspent on funding the Regulating Committee for determining tariffs for the Airports Company Ltd. and the Air Traffic and Navigation Services Company Ltd. (R2.9 million), the establishment of an Aviation Safety Investigation Board (R2.15 million), and the establishment of an Appeals Committee (R1.325 million). These amounts were requested to be rolled over to the next financial year.

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Maritime Transport

Saved R9.5 million on additional funds allocated to remove the Seli 1 shipwreck from the Bloubergstrand beach because the Navy undertook to remove the wreck, and saved R1.1 million on foreign memberships due to over budgeting for these items. Saved R243,000 on the procurement of furniture and equipment because posts could not be filled.

Public Transport

Underspent the Public Transport Infrastructure and Systems Grant by R103.7 million because the amount was stopped for the City of Johannesburg due to consistent underexpenditure. Underspent R5.874 million because fewer taxis were scrapped than anticipated. Funds were committed but remained unspent for developing a National Public Transport Regulator (R7 million), implementing the Taxi Recapitalization 2020 Strategy (R6 million), the oversight of Integrated Rapid Public Transport Networks (R5 million), and the development of National Land Transport Information Systems (R15 million). These funds were requested as rollovers to the next financial year. The programme underspent on the development of a Scholar Transport Framework (R1.5 million), a Migration Plan for Scholar Transport (R1.5 million), and implementing the "Shova Kalula" (bicycle transport) programme in provinces (R1.689 million).

Transfer Payments

List of transfer payments:

NAME OF INSTITUTION:	Amount R'000	Reason for transfer
Departmental agencies	9,910,198	
South African National Roads Agency Ltd.	9,728,055	National roads
Railway Safety Regulator	39,349	Railway safety
South African Civil Aviation Authority	17,025	Aviation safety
South African Maritime Safety Authority	9,288	Maritime safety
Transport Education and Training Authority	0	Staff training
Road Traffic Management Corporation	82,412	Road traffic management
Ports Regulator	15,069	Ports regulation
Road Traffic Infringements Agency	19,000	Road traffic infringements
Foreign Governments and international organizations	8,693	
Membership Fees: African Civil Aviation Commission	2931	Membership fees
Membership Fees: Cospas Sarsat Contribution	355	^
Membership Fees: Indian Ocean Memorandum of Understanding	0	^
Membership Fees: International Civil Aviation Organization	5000	^
Membership Fees: International Maritime Organization	407	^
Households other transfers	408,088	
Taxi Scrapping Administrator	407,437	Taxi scrapping
Sponsorships	24	Sponsorships
Leave gratuity	627	Leave gratuity
Municipalities - Public Transport Infrastructure and Systems Grant	4,884,401	
Johannesburg	1,195,000	Public transport infrastructure and systems
Tshwane	748,702	^
Cape Town	1,348,702	^
Ethekwini	598,703	^
Mangaung	20,000	^

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Mbombela	98,703	^
NAME OF INSTITUTION:	Amount R'000	Reason for transfer
Nelson Mandela	298,702	^
Polokwane	98,703	^
Ekurhuleni	50,000	^
Rustenburg	303,484	^
Buffalo City	78,702	^
Msunduzi	45,000	^
Municipalities - Rural Transport Grant	37,295	
Chris Hani	1,776	Rural road asset management
OR Tambo	1,776	^
Sekhukhune	1,776	^
Umkhanyakude	1,776	^
Amatole	1,776	^
Ukhahlamba/Joe Gqabi	1,776	^
Alfred Nzo	1,776	^
Ugu	1,776	^
uMgungundlovu	1,776	^
Uthukela	1,776	^
Umzinyathi	1,776	^
Amajuba	1,776	^
Zululand	1,776	^
uThungulu	1,776	^
Sisonke	1,776	^
iLembe	1,776	^
Mopani	1,776	^
Vhembe	1,776	^
Capricorn	1,776	^
Ngaka Modiri Molema	1,776	^
Dr Ruth Segomotsi Mompati	1,775	^
Non-profit institutions	17,827	
National Emergency Communications Division of the South African Radio League	69	Search and rescue services
Mountain Club of South Africa	69	Search and rescue services
Off-road Rescue	69	^
National Sea Rescue Institute	1,160	^
Taxi: SANTACO	16,460	Taxi operations
Provinces - Public Transport Operations Grant	4,317,269	
Province - Eastern Cape	174,466	Public transport operations - bus subsidies
Province - Free State	192,872	^
Province - Gauteng	1,625,746	^
Province - KwaZulu-Natal	808,279	^
Province - Limpopo	260,725	^
Province - Mpumalanga	439,003	^
Province - North West	80,686	^
Province - Northern Cape	39,255	^

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Province - Western Cape	696,237	^
NAME OF INSTITUTION:	Amount R'000	Reason for transfer
Provinces - Provincial Road Maintenance Grant	7,981,845	
Province - Eastern Cape	1,369,985	Provincial roads
Province - Free State	564,930	^
Province - Gauteng	579,081	^
Province - KwaZulu-Natal	1,501,171	^
Province - Limpopo	1,168,594	^
Province - Mpumalanga	1,240,694	^
Province - North West	594,789	^
Province - Northern Cape	483,706	^
Province - Western Cape	478,895	^
Public Corporations	10,227,905	
Passenger Rail Agency of South Africa Ltd.	10,227,905	Commuter rail
Universities and Technikons	9,406	
University of Stellenbosch	3,216	Capacity development
University of Pretoria	2,661	^
University of KwaZulu-Natal	2,934	^
North West University	279	^
Tshwane University of Technology	91	^
University of Johannesburg	225	^
TOTAL	37,802,927	

Conditional Grants and Earmarked Funds

Table of grants and payments

CONDITIONAL GRANTS NAME OF INSTITUTION:	Amount R'000	Estimated expenditure of recipient
Municipalities - Public Transport Infrastructure and Systems Grant	4,884,401	2,139,232
Johannesburg	1,195,000	355,855
Tshwane	748,702	181,702
Cape Town	1,348,702	1,106,714
Ethekwini	598,703	46,505
Mangaung	20,000	4,866
Mbombela	98,703	26,554
Nelson Mandela	298,702	98,455
Polokwane	98,703	28,947
Ekurhuleni	50,000	16,393
Rustenburg	303,484	232,931
Buffalo City	78,702	13,565
Msunduzi	45,000	26,745
Municipalities - Rural Transport Grant	37,295	29,089
Chris Hani	1,776	1,776
OR Tambo	1,776	1,776
Sekhukhune	1,776	1,471
Umkhanyakude	1,776	1,444

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Amatole	1,776	1,776
Ukhahlamba/Joe Gqabi	1,776	1,776
Alfred Nzo	1,776	1,776
Ugu	1,776	1,312
uMgungundlovu	1,776	1,205
Uthukela	1,776	1,622
Umzinyathi	1,776	1,028
Amajuba	1,776	1,278
Zululand	1,776	1,708
uThungulu	1,776	609
Sisonke	1,776	975
iLembe	1,776	717
Mopani	1,776	1,359
Vhembe	1,776	1,678
Capricorn	1,776	1,011
Ngaka Modiri Molema	1,776	1,570
Dr Ruth Segomotsi Mompati	1,775	1,222
Provinces - Public Transport Operations Grant	4,317,269	4,324,537
Province - Eastern Cape	174,466	174,466
Province - Free State	192,872	192,746
Province - Gauteng	1,625,746	1,625,746
Province - KwaZulu-Natal	808,279	814,212
Province - Limpopo	260,725	259,605
Province - Mpumalanga	439,003	438,857
Province - North West	80,686	82,249
Province - Northern Cape	39,255	40,419
Province - Western Cape	696,237	696,237
Provinces - Provincial Road Maintenance Grant	7,981,845	7,792,038
Province - Eastern Cape	1,369,985	1,380,095
Province - Free State	564,930	603,758
Province - Gauteng	579,081	773,844
Province - KwaZulu-Natal	1,501,171	1,501,171
Province - Limpopo	1,168,594	960,037
Province - Mpumalanga	1,240,694	1,232,145
Province - North West	594,789	344,781
Province - Northern Cape	483,706	483,706
Province - Western Cape	478,895	512,501
TOTAL	17,220,810	14,284,896

PERFORMANCE INFORMATION

for the year ended 31 March 2013

Capital investment, maintenance and asset management plan

Capital investment and maintenance (building and property assets):

Not applicable to the Department

Asset Management:

Capital investment and maintenance (building and property assets):

Not applicable to the Department

Asset Management:

Details as to how asset holdings have changed over the period under review, including information on disposals, scrapping and loss due to theft.

Asset holdings of investments did not change during the year. Fixed assets that were required constitute equipment and furniture.

Measures taken to ensure that the Department's asset register remained up to date during the period under review.

An asset management system is in place. Assets are allocated to individuals and recorded on an asset register against the Personal numbers of staff. Physical verification took place at least once in the year. Monthly reconciliations are done between capital expenditure on the BAS and LOGIS systems.

The current state of the Department's capital stock, for example what percentage is in good, fair or bad condition.

The Department does not keep capital stock.

Major maintenance projects that have been undertaken during the period under review.

Not applicable

Facilities that were closed down or down-graded during the period under review.

Not applicable

Projects that will be carried forward to the forthcoming financial year.

Not applicable

New projects that will commence in the forthcoming financial year.

Not applicable

Processes in place for the tendering of projects.

The Department follows normal procurement procedures, and does not tender for major acquisition of assets.

Progress made in addressing the maintenance backlog during the period under review.

Not applicable



Section 3: Governance



GOVERNANCE

for the year ended 31 March 2013

Introduction

Commitment by the Department to maintain the highest standards of governance is fundamental to the management of public finances and resources. Users want assurance that the Department has good governance structures in place to effectively, efficiently and economically utilize the state resources, which is funded by the tax payer.

Risk Management

Nature of risk management

Risk management is recognized as an integral part of sound organizational management. Risk management in the Department of Transport derives its mandate from the Public Finance Management Act (PFMA).

The Public Finance Management Act stipulates in section 38 that:

The accounting officer of a Department must ensure that the Department has and maintains:

- (i) Effective, efficient and transparent systems of financial and risk management and internal control; and
- (ii) A system of internal audit under the control and direction of an audit committee..“

In line with best practice, the governance structures are in place to ensure effective management of risk both at Strategic & Operational level.

The Risk Management and Security Committee held 3 meetings, and 1 risk management workshop was held during the financial year.

Risk management has been incorporated into the performance management system of the Department as well as quarterly reporting to the Audit Committee. Risk Management is also a standing item on the agenda at Executive Committee Meeting. Risk mitigation measures were incorporated into the strategic plan of the Department.

Risk management strategies to identify risks and manage the risks

The risk management strategy of the Department is derived from the COSO (best practice model) risk management model. The Department has a risk register for both strategic risks and operational risks including the risk response plans. The top risks as identified by Risk Owners are prioritized in terms of their importance and are being managed and reported on accordingly.

Progress made in addressing risks identified

DoT has a risk management plan, an important part of maintaining a successful and responsible department. Key controls and mitigation strategies/plans have been identified and are being implemented for both strategic and operational risks to ensure that risks are kept within the Department's acceptable levels.

Fraud and Corruption

The Department's Fraud Prevention Plan is premised on three legs; these being the following:

- Prevention;
- Detection; and
- Fraud Response.

GOVERNANCE

for the year ended 31 March 2013

Fraud Prevention

Prevention aspects of the plan recognise that prevention is better than cure. Several initiatives intended to foster fraud awareness are embarked upon.

Fraud Detection

Fraud Detection becomes relevant where prevention fails. The primary detection mechanism or tool that the Department depends on to detect fraud and corruption is its employees.

Fraud Response

Whenever fraud and corruption occur a preliminary investigation is conducted to verify whether there is any basis for alleged acts of fraud and corruption. Where there is a basis for a fully-fledged investigation, such is conducted culminating in an investigation report. These are represents for approval to their accounting officer and COO for implementation.

Whistle-blowing

Alleged acts of fraud and corruption are reported both internally and externally. The most commonly used avenues for reporting corruption are the national corruption hotline (office of the Public Service Commission) and the Public Protector.

Internally, fraud is reported at times anonymously through letters and also some employees directly/personally approach the investigation unit in the Department.

Handling of reported cases

Upon receipt of allegations of fraud or corruption, a preliminary investigation is conducted. Where it is so warranted a fully-fledged investigation follows.

Minimising Conflict of Interest

The Department has implemented a number of measures/processes to minimise conflict of interest in supply chain management (SCM) that includes:

- The implementation of Standard Bidding Documents, including the SBD 4 Form – Declaration of Interest – for all procurement as a measure to minimize conflict of interest in SCM and the SBD 9 Form – Supplier's Previous Performance with Government. These SBD forms are required for all procurement above R500,00.00. All prospective suppliers/service providers that submit proposals to the Department are required to declare any interest and previous performance and this information is taken into consideration in the evaluation and adjudication process of price quotations and bids;
- Members of the Departmental Bid Evaluation and Departmental Bid Adjudication Committees are also required to sign the necessary Declaration of Interest forms prior to participating in the evaluation and adjudication processes pertaining to bids that have been invited by the Department. Where interest is declared, the respective member is requested to recuse themselves from participating in the SCM process; and
- Security Services is in the process of vetting all SCM officials for security clearances, who have not yet been vetted.

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for the year ended 31 March 2013

Code of Conduct

Health Safety and Environmental Issues

The Occupational Health and Safety (OHS) Act set out a legal framework for workplace health and safety. The importance of such a programme is to create and maintain a healthy and safe working environment that is without risks to health and safety of employees and others. Section 7 of the Act requires that the employer develops an OHS policy and procedures guided by the nature and the description of the business.

- The OHS policy and procedures are part of a framework for effective health and safety management (such policy has been developed and approved).
- The purpose of such policy is to provide a regulatory framework for the execution of OHS program at DoT and demonstrate the commitment of the legal duties to be complied with.

Both the employer and employees have a role to play in ensuring the health and safety of employees and others in the workplace.

Health hazards in the workplace are considered to be potentially harmful as they might cause injuries to employees, and therefore the OHS Committee is mandated to advise and make recommendations to the employer on remedial actions to be fulfilled.

Health and safety awareness programmes and induction demonstrate the level of education on health hazards attached to the working activities and provide a broader knowledge on the concept of OHS.

Availability of a first-aid service is to ensure that all injured personnel receive prompt first aid treatment whilst at work.

The emergency preparedness plan serves as a tool to outline all procedures to be followed in an emergency situation. Previous evacuation drills were successfully conducted and were incident-free.

The need for a health and safety programme is determined through the hazard identification and risk assessment and detailing all risk control measures to be fulfilled to manage and ensure a safe working environment.

All health and safety-related complaints are addressed by this unit as the OHS Act aims at protecting the health and safety of persons at work and others who may be exposed to hazards arising out of or in connection with the work activities.

Health and safety is also involved in events management hosted by the Department to oversee the safety of erected temporary structures and legal compliance with disaster management; fire safety and health regulations.

Internal Control Unit

During the financial year, the Directorate: Internal Control and Compliance played a vital role in facilitation of audits conducted by office of the Auditor-General. The Internal Control and Compliance unit managed the administration of audit queries issued by the Auditor-General, and developed action plans to address weaknesses identified in the final management report of the Office of the Auditor-General for the previous financial year. It followed up on the implementation of the action plans to address weaknesses and reported the progress on the implementation of the action plans to the Audit Committee and Executive Committee. The Directorate also coordinated Audit Steering Committee meetings during the audit as an when requested by the Office of the Auditor-General.

GOVERNANCE

for the year ended 31 March 2013

The Directorate: Internal Control and Compliance also performed compliance reviews on compliance with the Public Finance Management Act, Treasury Regulations, financial policies and Supply Chain Management prescripts in the form of post-checking of payment batches and compliance checklists. The consolidated internal control manual which includes all departmental circulars, policies and procedures, business flow charts and forms was developed and posted on the intranet for easy access to all staff.

The Directorate: Internal Control and Compliance also facilitated meetings of the Loss Control Committee and followed up resolutions taken by the Committee. The directorate also managed the safekeeping of payment batches.



DEPARTMENT OF TRANSPORT VOTE 37

Report of the Audit Committee
for the year ended 31 March 2013

We are pleased to present our report for the financial year ending on 31 March 2013

Audit Committee Members and Attendance:

The Committee met seven times this financial year as per its approved terms of reference. It consists of the following members:

Name of member	Number of meetings attended
D. Coovadia (Chairperson)	7
D. Block	7
B. Mwelase	7
R. Haman	3
J. Mabala	6

The Committee's meetings were regularly attended by the accounting officer or his/her delegate, internal auditors, the chief financial officer (CFO), management and by the representatives from the office of the Auditor-General South Africa (AGSA) and National Treasury.

Audit Committee Responsibility

The Committee reports that it has operated and performed its oversight responsibilities independently and objectively in compliance with section 38(1) (a) of the PFMA and Treasury Regulations 3.1.13. The Committee has adopted appropriate formal terms of reference as its Audit Committee Charter, which have been approved by the Accounting Officer. The Committee has also regulated its affairs in compliance with the Charter and has discharged its responsibilities as contained therein. The Audit Committee is an advisory Committee of the Department operating with an independent and objective stance.

The effectiveness of internal control

The system of internal control applied by the Department over financial and risk management is effective. In line with the PFMA and the King III Report on corporate governance requirements, internal audit provides the Audit Committee and management with assurance on the appropriateness and effectiveness of the internal controls. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes.

From the reports of the Auditor-General South Africa, we noted that there were some matters reported that indicated material deficiencies in internal control. Despite the challenges of capacity and budget constraints, there was concerted effort and hard work from management and officials to implement the business plan and to achieve the mandate.

However, a number of control deficiencies were reported both by the AGSA and internal auditors during the period under review. Despite these control inadequacies, the Audit Committee is of the view that the system of internal control on financial statements was satisfactory.

DEPARTMENT OF TRANSPORT VOTE 37

Report of the Audit Committee
for the year ended 31 March 2013

Internal Audit

During the year under review, internal audit continued to face capacity constraints, which caused a delay in the completion of the planned audits.

Submission of in-year management and monthly/quarterly reports in terms of the Public Finance Management Act

As per discussion with management, management confirmed that the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer during the year under review were properly formulated and have complied with the PFMA and Treasury Regulations in this regard.

Evaluation of Annual Financial Statements

The Audit Committee has:

- Reviewed and discussed the Annual Financial Statements to be included in the Annual Report with the Auditor-General and the Accounting Officer;
- Reviewed the Auditor-General South Africa's management letter and management's responses thereto;
- Reviewed changes in accounting policies and practices; and
- Reviewed significant adjustments resulting from the audit.

The Audit Committee concurs and accepts the Auditor-General's conclusions on the annual financial statements, and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General South Africa.



D Coovadia
Chairperson: Audit Committee

Date: 31 July 2013



Section 4:

Human Resources Management



HUMAN RESOURCES MANAGEMENT

for the year ended 31 March 2013

Legislature that govern HR management

The information provided in this part is prescribed by the Public Service Regulations (Chapter 1, Part III J.3 and J.4).

1. The Constitution of South Africa, 1996
2. Public Service Act, 1994 (as amended)
3. Skills Development Act, 1998
4. Skills Development Levies Act, 1999
5. Employment Equity Act, 1998
6. South African Qualification Authority Act, 1995
7. National Qualifications Framework Act, 2008
8. National Skills Development Strategy III of 2010
9. Human Resource Development Strategy for the Public Service 2002-2006
10. White Paper on Transformation of the Public Service, 1997
11. White Paper on Public Service Training and Education, 1998
12. White Paper on Human Resource Management, 1997
13. Human Resource Development Strategy for South Africa 2010-2030;
14. Basic Conditions of Employment Act, 1997;
15. Employment Equity Act, 1998;
16. Public Service Act, 1994 as amended by Act 30 of 2007;
17. Labour Relations Act, 1993
18. Government Employees Pension Fund Law, 1996,
19. Occupational Health and Safety Act, 1993;
20. Public Finance Management Act, 1999
21. Unemployment Insurance Act, 2001.

Introduction

Organizational environment

The new DoT organizational structure created 96 posts on the new organizational structure, which resulted in the increase from 677 to 773 staff complement. The roll-out of the new organogram resulted in the vacancy rate being reduced from 33% to 26.78%. There are, however, still some challenges with regard to Employment Equity at SMS level. Disability status is at 1.9%.

There has been 77% compliance with the submission of performance agreements, and 43% with regard to half-yearly reviews. Lack of total buy-in from top management is identified as the real cause for failure to achieve 100%. Disciplinary steps will be taken against those who fail to comply.

Labour relations have proven to be very effective and efficient. This resulted into five policies being adopted at DBC.

A HR plan, developed along the lines of the new structure was developed and approved by the Minister, and then submitted to the DPSA. It is currently being implemented. The secondment of employees to DoT agencies and provincial departments may be good to support the agencies and provincial transport departments; however, its unintended consequences result in shortage of capacity of HR in the Department.

The implementation of the Transport sector HRD strategy is underway with the total training interventions attended by 438 (85%) officials. The Workplace Skills Plan was developed and is currently being implemented. The Department has noted an improvement with regard to staff attending skills development interventions. There is a total number of 438 staff, with 293 being those at lower levels, and 46 JMS, 48 MMS and 51 SMS members. The DPSA threshold of

HUMAN RESOURCES MANAGEMENT

for the year ended 31 March 2013

employing interns based on total filled posts on the establishment is 5%. This figure was exceeded by 8% resulting in a total of 13% of interns that were employed in the Department in 2012.

In addition, the skills development programme in the transport sector has seen the registration of 527 students to Centres of Development. More than 227 students have recently graduated. In as much as there are more funds required for the programme to enrol more students, the high drop-out level remains a critical matter. The number of those registered continued to grow to 527 in 2011, from 349 in the preceding year. All draft chapters of the transport sector strategy have been finalized. Through the Technology Research Activity Centres, 462 984 learners have been exposed to the programme.

4.1 Employment and Vacancies

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- programme
- salary band
- critical occupations

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 4.1.1 *Employment and vacancies by programme*

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Programme 1	376	286	23.94%	36
(Transport Ministry, Office of the Deputy Minister, Office of the DG, Branches: Office of the Chief Operations Officer, Financial Services & Transport Information Systems)				
Programme 2	68	47	30.88%	7
(Integrated Transport Planning)				
Programme 3	36	24	33.33%	1
(Rail Transport)				
Programme 4	112	74	33.93%	3
(Road Transport)				
Programme 5	71	54	23.94%	9
(Civil Aviation)				
Programme 6	36	24	33.33%	0
(Maritime Transport)				
Programme 7	77	57	25.97%	5
(Public Transport)				
TOTAL	775	566	26.96%	61

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for the year ended 31 March 2013

Table 4.1.2 Employment and vacancies by salary band

Salary Band	Number Of Posts On Approved Establishment	Number Of Posts Filled	Vacancy Rate	Number Of Employees Additional To The Establishment
Lower skilled (1-2)	0	0	0%	0
Skilled(3-5)	64	53	17.19%	8
Highly skilled production (6-8)	245	188	23.26%	24
Highly skilled supervision (9-12)	317	218	31.23%	11
Senior management (13-16)	149	107	28.19%	18
Total	775	566	26.96%	61

Table 4.1.3 Employment and vacancies by critical occupations

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

***The Department is currently in the process of aligning posts with the Sector Scarce Skills List*

Notes

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

4.2. Job Evaluation

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 4.2.1 Job Evaluation by Salary band

Salary band	Number of posts on approved establishment	Number of jobs evaluated	% Of posts evaluated by salary bands	Number posts upgraded	% Of posts evaluated	Number posts downgraded	% Of posts evaluated
Lower Skilled (Levels 1-2)	0	0	0	0	0		
Skilled (Levels 3- 5)	64	3	4.68	0	0		
Highly skilled production (Levels 6-8)	245	8	19.6	0	0		
Highly skilled supervision (Levels 9-12)	317	34	10.72	0	0		
Senior Management Service Band A	102	10	9.8	0	0		
Senior Management Service Band B	36	10	27.77	0	0		
Senior Management Service Band C	10	0	0	0	0		
Senior Management Service Band D	1	0	0	0	0		
Contract (Levels 1-2)	0	0	0	0	0	0	0
Contract (Levels 3-5)	0	0	0	0	0	0	0
Contract (Levels 6-8)	0	0	0	0	0	0	0
Contract (Levels 9-12)	0	0	0	0	0	0	0
Contract (Band A)	0	0	0	0	0	0	0
Contract (Band B)	0	0	0	0	0	0	0
Contract (Band C)	0	0	0	0	0	0	0
Contract (Band D)	0	0	0	0	0	0	0
Total	773	65	8.3	0	0	0	0

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for the year ended 31 March 2013

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 4.2.2 Profile of employees whose positions were upgraded due to their posts being upgraded

Beneficiary	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Employees with a disability	0	0	0	0	0
Total	0	0	0	0	0

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 4.2.3 Employees with salary levels higher than those determined by job evaluation by occupation

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
Administrative Workers	2	4 & 6	5 & 7	Job eval/counter offer/Motivated
Assistant Directors	2	8	9	Job eval/counter offer/Motivated
Deputy Directors	4	9 & 11	11 & 12	Job eval/counter offer/Motivated
Directors	6	13	14	Job eval/counter offer/Motivated
Total number of Employees whose salaries exceeded the level determined by job evaluation in 2012/2013				14
Percentage of total employed				2.47%

The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 4.2.4 Profile of employees who have salary levels higher than those determined by job evaluation

Beneficiary	African	Asian	Coloured	White	Total
Female	10	0	0	0	10
Male	4	0	0	0	4
Employees with a disability	0	0	0	0	0
Total	14	0	0	0	14
Total number of Employees whose salaries exceeded the level determined by job evaluation in 2012/2013	14				

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4.3 Employment Changes

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the Department. The following tables provide a summary of turnover rates by salary band and critical occupations.

Table 4.3.1 Annual turnover rates by salary band

Salary Band	Number of employees at beginning of period- April 2012	Appointments and transfers into of the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	0	0	0	0%
Skilled (Levels 3- 5)	50	15	4	8%
Highly skilled production (Levels 6-8)	160	64	22	13.75%
Highly skilled supervision (Levels 9-12)	201	32	14	6.96%
Senior Management Service Band A	71	13	9	12.68%
Senior Management Service Band B	20	4	1	5%
Senior Management Service Band C	9	1	0	0%
Senior Management Service Band D	1	2	1	100%
Contracts	0	0	0	0%
Total	512	131	51	9.96%

Table 4.3.2 Annual turnover rates by critical occupation

Critical Occupation	Number of employees at beginning of period-April 2012	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Total	Not Applicable	Not Applicable	Not Applicable	Not Applicable

***The Department is currently in the process of aligning posts with the Sector Scarce Skills List*

Notes

The CORE classification, as prescribed by the DPSA, should be used for completion of this table. The table below identifies the major reasons why staff left the Department.

Table 4.3.3 Reasons why staff left the Department

Termination Type	Number	% of Total Resignations
Death	2	0.39%
Resignation	10	1.95%
Expiry of contract	10	1.95%
Dismissal – operational changes	0	0%
Dismissal – misconduct	0	0%
Dismissal – inefficiency	0	0%
Discharged due to ill-health	1	0.19%
Retirement	1	0.19%
Transfer to other Public Service Departments	27	5.27%
Other	0	0%
Total	51	9.96%
Total number of employees who left as a % of total employment		9.96%

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Table 4.3.4 Promotions by critical occupation

Occupation	Employees Promotions 1 April 2012 by occupation salary level % of employees	Salary level to another promotions as a salary level % of employees	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Total	Not Applicable	Not Applicable	Not Applicable	Not Applicable

***The Department is currently in the process of aligning posts with the Sector Scarce Skills List*

Notes

Table 4.3.5 Promotions by salary band

Salary Band	Employees 1 April 2012	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary band
Lower skilled (levels 1-2)	0	0	0%	0	0%
Skilled (Level 3-5)	50	0	0%	44	88%
Highly Skilled Production (Level 9-12)	160	25	15.62%	122	76.25%
Highly skilled supervision (Levels 6-8)	201	15	7.46%	193	96.02%
Senior management (Levels 13-16)	101	7	6.93%	64	63.37%
Total	512	47	9.18%	423	2.62%

4.4. Employment Equity

Table 4.4.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2013

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	52	1	5	8	32	0	4	4	106
Professionals	54	0	0	3	47	1	3	6	114
Technicians and associate professionals	42	2	0	2	57	0	1	1	105
Clerks	79	1	0	1	143	0	0	8	232
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	227	6	5	14	279	2	8	25	566
Employees with disabilities	3	0	0	0	3	0	0	5	11

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for the year ended 31 March 2013

Table 4.4.2 Total number of employees (including employees with disabilities) in each of the following occupational bands on 31 March 2013

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (L1 5- L1 6)	5	0	1	1	0	0	1	1	9
Senior Management (L1 3- L1 4)	47	1	4	5	32	0	3	2	94
Professionally qualified and experienced specialists and mid-management	54	0	0	3	47	1	3	6	114
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	42	2	0	2	57	0	1	1	105
Semi-skilled and discretionary decision making	79	1	0	1	143	0	0	8	232
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	227	6	5	14	279	2	8	25	566

Table 4.4.3 Recruitment

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	3	0	0	0	0	0	0	0	3
Senior Management	8	0	0	1	8	0	0	0	17
Professionally qualified and experienced specialists and mid-management	7	0	0	0	8	1	0	1	17
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	19	0	0	0	59	0	0	1	79
Semi-skilled and discretionary decision making	8	1	0	0	6	0	0	0	15
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	45	1	0	1	81	1	0	2	131
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 4.4.4 Promotions

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	6	0	0	0	1	0	0	0	7
Professionally qualified and experienced specialists and mid-management	1	0	0	0	4	0	0	1	6
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	10	0	0	0	24	0	0	0	34
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	17	0	0	0	29	0	0	1	47
Employees with disabilities	0	0	0	0	0	0	0	0	0

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for the year ended 31 March 2013

Table 4.4.5 Terminations

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	1	0	0	0	0	0	0	0	1
Senior Management	3	2	1	1	2	0	0	1	10
Professionally qualified and experienced specialists and mid-management	6	0	0	0	2	2	0	0	10
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	9	1	0	0	16	0	0	0	26
Semi-skilled and discretionary decision making	1	0	0	0	3	0	0	0	4
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	20	3	1	1	23	2	0	1	51
Employees with Disabilities	0	0	0	0	0	0	0	0	0

Table 4.4.6 Disciplinary action

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	2	0	1	0	0	0	0	0	3

4.5. Performance Rewards

To encourage good performance, the Department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, and disability), salary bands and critical occupations.

Table 4.5.1 Performance Rewards by race, gender and disability

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African, Male	152	236	64.4	4970	32 699
Asian, Male	0	5	0	0	0
Coloured Male	6	8	75	141	23 559
White Male	12	16	75	599	49 938
African Female	203	282	72	5672	27 939
Asian Female	5	9	55.6	230	45 975
Coloured Female	3	4	75	98	32 715
White Female	22	26	84.6	705	32 049
TOTAL	404	590	68.5	12 424	30 754

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Table 4.5.2 Performance Rewards by salary band for personnel below Senior Management Service

Salary Band	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Lower Skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (level 3-5)	42	54	77.8	428	10 190	0
Highly skilled production (level 6-8)	131	184	71.2	2 443	18 649	0
Highly skilled supervision (level 9-12)	186	216	86.1	6 994	37 602	0
Contract Level 3-5	0	1	0	0	0	0
Contract Level 6-8	0	2	0	0	0	0
Contract Level 9-12	3	7	42.9	143	47 667	0
Periodical Remuneration	0	222	0	0	0	0
Total	362	686	52.8	10008	27646	0

Table 4.5.3 Performance Rewards by critical occupation

Critical Occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related	59	72	89.9	2 329	39 475
Appraisers-valuers and related professionals	0	1	0	0	0
Attorneys	1	1	100	72	72 000
Aviation related	15	16	93.8	508	33 867
Biologists botanists zoologists & rel professional	0	1	0	0	0
Client inform clerks(switchb receipt inform clerks)	1	4	25	9	9 000
Communication and information related	2	2	100	46	23 000
Community development workers	1	1	100	28	28 000
Computer programmers	1	1	100	28	28 000
Engineers and related professionals	1	1	100	64	64 000
Finance and economics related	2	4	50	105	52 500
Financial clerks and credit controllers	21	28	75	440	20 952
Food services aids and waiters	6	10	60	57	-
General legal administration & rel. professionals	0	1	0	0	0
Head of department/chief executive officer	0	1	0	0	0
Human resources & organisational development & related prof.	1	1	100	50	50 000
Human resources clerks	8	10	80	199	24 875
Human resources related	7	10	70	304	43 429
Legal related	2	3	66.7	76	38 000
Librarians and related professionals	1	1	100	22	22 000
Library mail and related clerks	5	4	125	70	14 000
Light vehicle drivers	1	3	33.3	13	13 000
Logistical support personnel	4	4	100	60	15 000
Material-recording and transport clerks	0	2	0	0	0
Messengers porters and deliverers	7	12	58.3	73	10 429
Natural sciences related	1	1	100	27	27 000
Other administration & related clerks and organisers	64	75	85.3	1 784	27 875

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Critical Occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Other administrative policy and related officers	83	113	73.5	3 038	36 602
Other information technology personnel.	8	13	61.5	188	23 500
Other occupations	1	3	33.3	42	42 000
Secretaries & other keyboard operating clerks	52	17	100	158	9 294
Security guards	17	17	100	871	16 750
Senior managers	27	88	30.7	1 573	58 259
Trade labourers	1	1	100	13	13 000
Trade/industry advisers & other related profession	1	1	100	52	52 000
TOTAL	404	590	68.5	12426	30757

***The Department is currently in the process of aligning posts with the Sector Scarce Skills List*

Notes

The CORE classification, as prescribed by the DPSA, should be used for completion of this table.

Table 4.5.4 Performance related rewards (cash bonus), by salary band for Senior Management Services

Salary Band	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within band	Total Cost (R'000)	Average cost per employee	Total cost as a % of the total personnel expenditure
Band A	30	82	36.6	1 604	53 0467	65 478
Band B	11	29	37.9	727	66 091	26 909
Band C	1	9	11.1	84	84 000	15 355
Band D	0	6	0	0	0	0
TOTAL	42	126	33.3	2415	57 500	107742

4.6. Foreign Workers

The tables below summarise the employment of foreign nationals in the Department in terms of salary band and major occupation.

Table 4.6.1 foreign workers by salary band

Salary Band	01 April 2012		31 March 2013		Change	
	Number	% of total foreign workers	Number	% of total foreign workers	Number	
Lower skilled	0	0%	0	0%	0	0%
Highly skilled production (Lev. 6-8)	1	33.33%	0	0%	1	100%
Highly skilled supervision (Lev. 9-12)	1	33.33%	1	50%	0	0%
Contract (level 9-12)	1	33.33%	1	50%	0	0%
Contract (level 13-16)	0	0%	0	0%	0	0%
Highly skilled supervision (Lev. 13-16)	1	33.34%	1	50%	0	0%
Total	4	100%	3	100%	2	100%

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Table 4.6.2 Foreign workers by major occupation

Major Occupation	01 April 2012		31 March 2013		Change	
	Number	% of total foreign workers	Number	% of total foreign workers	Number	
Office Administrative Workers	3	66.67%	2	50%	1	100%
Professionals & Managers	1	33.33%	1	50%	0	0%
Total	4	100%	2	100%	1	100%

4.7. Leave utilisation

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 4.7.1 Sick leave

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)	Total Number of days with medical certification
Skilled (L 3-5)	309	91.30%	36	9.40%	9	114	282
Highly skilled production (L 6-8)	891	80.10%	132	34.50%	7	546	714
Highly skilled supervision (L9-12)	936	80.30%	150	39.20%	6	1406	752
Senior management (L 13-16)	317	79.50%	58	15.10%	5	937	252
Contract (L 9-12)	27	92.60%	4	1%	7	48	25
Contract (L 13-16)	14	78.60%	3	0.80%	5	49	11
Total	2494	81.60%	383	100%	7	3100	2036

Table 4.7.2 Disability leave (temporary and permanent)

Salary Band	Total days	% days with medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower Skilled	0	0	0	0	0	0
Skilled (L 3-5)	174	100%	4	50%	44	62
Highly skilled production (L 6-8)	48	100%	2	25%	24	31
Highly skilled supervision (L9-12)	10	100%	1	12.50%	10	11
Senior management (L 13-16)	62	100%	1	12.50%	62	182
Contract (L 13-13)	0	0%	0	0%	0	0
Total	294	100%	8	100%	35	286

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The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service.

Table 4.7.3 Annual Leave

Salary Band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	0	0	0
Skilled Levels 3-5)	1027	20	52
Highly skilled production (Levels 6-8)	3455	19	186
Highly skilled supervision(Levels 9-12)	4255	20	215
Senior management (Levels 13-16)	2249	21	108
Contact (Levels 3-5)	4	4	1
Contact (Levels 6-8)	8	8	1
Contact (Levels 9-12)	117	15	8
Contact (Levels 13-16)	240	13	18
Total	11355	19	589

Table 4.7.4 Capped leave

Salary Band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as at 31 March
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	3	2	2	37
Highly skilled production (Levels 6- 8)	1	1	1	36
Highly skilled supervision(Levels 9-12)	1	1	1	48
Senior management (Levels 13-16)	15	2	8	55
Total	20	6	3	46

The following table summarise payments made to employees as a result of leave that was not taken.

Table 4.7.5 Leave payouts

REASON	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave payout for 2012/2013 due to non-utilisation of leave for the previous cycle	274 000	9	19 571
Capped leave payouts on termination of service for 2012/2013	160 000	3	15 600
Current leave payout on termination of service for 2012/2013	285 000	25	0
Total	719 000	37	17 586

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4.8. HIV/AIDS & Health Promotion Programmes

Table 4.8.1 Steps taken to reduce the risk of occupational exposure

Contracting HIV & related diseases (if any)	
Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
All employees are classified as being at high risk of contracting HIV and related diseases, that is why all irrespective of their employment levels are provided with Employee Health and Wellness cards to access counselling services.	Truck Drivers have access to the clinic and counselling services at major Truck Depots such as Harrismith where they receive treatment and advice
Access to VCT and other family, financial and legal matters are provided to all employees indiscriminately	All staff members in DoT and their immediate family members have access to Voluntary Counselling and Treatment (VCT). They have Employee Health and Wellness Cards with a number that they can call to access all the counselling services
Workshops and Seminars are arranged for all categories of employees indiscriminately. Strategic Planning sessions for SMS members are used to provide VCT and other services such as determining Cholesterol, Glucose levels so that they are advised to control and or consult their doctors	Workshops and Seminars are always arranged for staff where they are provided with information related to high risk associated with HIV and Related illnesses.

Table 3.8.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	YES	NO	Details, if yes
1. Has Department designated a member of the SMS to implement the provisions contained in Part E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	✓		<ul style="list-style-type: none"> - Every year the Employee Health and Wellness operational plan is developed and reviewed by all stakeholders in the transport sector. - The Monitoring and Evaluation tool developed by DPSA is submitted in terms of progress made on the Operational Plan. - Post-health promotion programme evaluation forms also assist to evaluate the impact. - Trends of the Health Risk Assessments Statistics indicate impact of health promotion programme - E-mails of appreciation from the service users are received - Quarterly EHW Reports (ICAS)
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are Involved in this task and the annual budget that is available for this purpose.	✓		<p>3 Staff members</p> <p>The Budget is R 297 500 (Grossly insufficient)</p>
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for your Employees? If so, indicate the key elements/services of this Programme.	✓		<ul style="list-style-type: none"> - The Department has a comprehensive integrated Employee Health and Wellness programme in place which is mainly aimed at enhancing the wellbeing of its employees through a range of wellness interventions such as health education, face-to-face counselling, dealing with loss and trauma. And other proactive programmes such as sports, nutrition, financial management, stress management and family care matters. ICAS EHW external service provider a 24/7 toll-free telephone counselling and personal support. - Employees are constantly exposed to health risk screening for cholesterol, blood pressure, glucose, and Body Mass Index and eye testing. HIV Counselling and Testing services are also regularly offered in the workplace

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4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	✓	- EHW is guided by the DPSAs four pillars of Employee Health and Wellness. Provides Sports to promote health, Counselling services on HIV/Aids, Financial advice, Legal, Family matters, Trauma, Stress, Relationships, Substance Abuse, Work, Change - The operational plan of the transport sector is developed by all
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/ practices so reviewed.	✓	- HIV/AIDS and TB Management Policy - Bereavement Policy - Sports and Recreation Policy
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV- positive from discrimination? If so list the key elements of these measures.	✓	- All employment policies do not discriminate against people with HIV/Status
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	✓	- DoT Employees are encouraged to undergo HIV Counselling and Testing (HCT) at all levels 122 employees were tested for HIV during the 2012/13 financial year. 351 employees were screened for various Health Risk Assessment.
8. Has the developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/ indicators.	✓	- Yes ICAS, the DOT service provider gives the department quarterly reports in terms of the services provided. - The monitoring and evaluation tool developed by DPSA is used. - The review is done with stakeholders in the transport in terms of progress made before the new operational plan is developed.

4.9. Labour Relations

Table 4.9.1 Collective agreements

The following table summarises the outcome of disciplinary hearings conducted within the Department

Subject matter	Date
No collective agreement entered into the period under review	

For the year under review.

Table 4.9.2 Misconduct and disciplinary hearings finalised

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	1	1
Written warning	0	0
Final written warning	1	1
Suspended without pay	0	0
Fine	0	0
Demotion	1	1
Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
Total	3	3

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Table 4.9.3 Types of misconduct addressed at disciplinary hearings

Type of misconduct (based on annexure A)	Number	% of total
None		
Total		

Table 4.9.4 Grievances logged

	Number	% of Total
Number of grievances resolved	12	77
Number of grievances not resolved	3	23
Total number of grievances lodged	15	100%

Table 4.9.5 Disputes logged

	Number	% of Total
Number of disputes upheld	1	1
Number of disputes dismissed	0	0
Total number of disputes lodged		

Table 4.9.6 Strike actions

Total number of persons working days lost	0
Total costs working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

Table 4.9.7 Precautionary suspensions

Number of people suspended	0
Number of people whose suspension exceeded 30 days	0
Average number of days suspended	0
Cost (R'000) of suspensions	0

4.10 Skills Development

This section highlights the efforts of the Department with regard to skills development.

Table 4.10.1 Training needs identified

Occupational category	Gender	Number of employees as at 1 April 2012	Training needs identified at start of reporting period			
			Learnerships	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	39	0	24	3 (Bursary)	27
	Male	65	0	32	9 (Bursary)	41
Professionals	Female	47	0	25	21 (Bursary)	46
	Male	55	0	18	13 (Bursary)	31
Technicians and associate professionals	Female	49	0	35	21 (Bursary)	56
	Male	47	0	12	14 (Bursary)	26
Clerks	Female	123	0	101	29 (Bursary)	130
	Male	41	0	31	16 (Bursary)	47
Service and sales workers	Female	3	0	3		3
	Male	16	0	15		15
Craft and related trades workers	Female	0	0	0		
	Male	0	0	0		

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Occupational Category	Gender	Number of employees as at 1 April 2012	Training needs identified at start of reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Craft and related trades workers	Female	0	0	0		
	Male	0	0	0		
Plant and machine operators and assemblers	Female	1	0	0		
	Male	2	0	1		1
Elementary occupations	Female	13	0	4	74 Interns	78
	Male	11	0	4	59 Interns	63
Sub Total	Female	275	0	192		
	Male	237	0	116		
Total	512	0	305	259	564	

Training provided 1 April 2012 to 31 March 2013

Internal Training

- 438 employees trained which is more than 100% of the set target.
- 21 SMS trained on Governance /King 111; 48 MMS, 46 JMS and 293 on lower levels were trained bringing the total number of all staff who have been exposed to training to 438
- 13% of staff establishment in terms of interns were trained in DOT.
- 61% from previous group got permanent appointment.
- 8 out of 68 got permanent appointments from the current group in and outside DOT.
- 19 interns were also placed in the 14 District Municipalities and have completed their internship programme.
- 8 interns were also placed at RTMC which demonstrates success in terms the job creation opportunities on this programme.
- In total the number of interns placed in DOT, District Municipalities, Prasa and Metrorail (Some of our Agencies is 95 for 2012).
- 120 bursaries were awarded, 10 completed studies, 4 in scares and critical skills, e.g. (post graduate degree in Maritime and 3 in transport related).

External Training

- 497 FET students were registered, in 5 FET Colleges.

3 more FET Colleges were brought on board, and actively participating in the programme, namely Cape Town College, Monteo and Letaba, which has broadened access to the Rural communities to transport and increased the number of Colleges to 8 and the number of registered students from 497 to 1037.

- 462 984 learners have been exposed to the Training and Development through the Transport Research Activity Centre (TRAC) programme whereby 1145 TRAC learners have been registered in Science, Engineering and Technology with 164 in B Eng; 169 Bsc, 356 registered for Diplomas in Engineering.

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Table 4.11.2 Training provided for the period (Information has been summarized above)

Table 4.12 Training needs identified 1 April 2012 to 31 March 2013

Occupational categories	Gender	Number of employees as at 1 April 2012	Training needs identified at start of reporting period			
			Learnership	Skills programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	39	0	24	3 (Bursary)	27
	Male	65	0	32	9 (Bursary)	41
Professionals	Female	47	0	25	21 (Bursary)	46
	Male	55	0	18	13 (Bursary)	31
Technicians and associate professionals	Female	49	0	35	21 (Bursary)	56
	Male	47	0	12	14 (Bursary)	26
Clerks	Female	123	0	101	29 (Bursary)	130
	Male	41	0	31	16 (Bursary)	47
Service and sales workers	Female	3	0	3		3
	Male	16	0	15		15
Craft and related trades workers	Female	0	0	0		0
	Male	0	0	0		
Craft and related trades workers	Female	0	0	0		
	Male	0	0	0		
Plant and machine operators and assemblers	Female	1	0	0		
	Male	2	0	1		1
Elementary occupations	Female	13	0	4	74 Interns	78
	Male	11	0	4	59 Interns	63
Sub total	Female	275	0	192		
	Male	237	0	116		
Employees with disability	Females	9	0	4	4	4
Total		512	0	305	259	564

4.11 Injury on duty

The following table provide basic information on injury on duty.

Table 4.12.1 Injury on duty

Nature of injury on duty Required basic medical attention only	Number	% of total
Temporary total disablement	0	0%
Permanent disablement	0	0%
Fatal	0	0%
Total	0	0%

Section 5:

Financial Information





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Report by the Accounting Officer to the Executive Authority and Parliament of the Republic of South Africa.

5.1. General review of the state of financial affairs

Important policy decisions and strategic issues facing the Department

Developed transport networks in road, rail, aviation and maritime remain catalysts for economic development and for participation of the majority of our people in the economy. Investments in transport infrastructure across all modes will continue to protect the country's economy and to facilitate access to transport and the movement of people, goods and services.

A focus area will be to attract investments into a number of areas including the maintenance of infrastructure, provision of new infrastructure in rural areas and urban areas of our country. Urban mobility and rural access, including labour intensive road maintenance programmes are some of the key areas of focus over the medium term.

The public transport strategy is still being implemented to reach the ultimate goal of affordable and safe mass public transport networks. It guides public transport subsidy reform, mode rationalisation, the implementation of the taxi recapitalisation programme and integrated rapid public transport networks, which include Bus Rapid Transit systems and priority rail corridors. As the plan is being implemented, it contributes to improving mobility and access to safe transport for more people.

Major challenges persist in the transport sector, notably the backlogs in road maintenance and rail infrastructure. Road maintenance continues to be prioritised through the S'hamba Sonke project through labour-intensive forms of road maintenance.

As an intervention by the National Department of Transport, the Provincial Road Maintenance Grant was secured to "supplement provincial road infrastructure investments". The S'hamba Sonke Programme (SSP) was developed as a framework to implement the Provincial Road Maintenance Grant and was adopted by a Transport MINMEC meeting on 1 February 2011. The SSP is based on the principle of empowerment. Communities, emerging contractors and local suppliers will not only benefit from use of the improved infrastructure provided, but will be considered for jobs, skills development and business opportunities.

The S'hamba Sonke Programme (SSP), through the Provincial Roads Maintenance Grant (PRMG), consists of three budget components. The largest component enables provinces to expand their maintenance activities. The other components allow provinces to repair roads damaged by floods and to rehabilitate roads for coal haulage activities in Mpumalanga and Gauteng.

A focused rail revitalisation programme continues to be a key activity over the medium term to address investment needs in infrastructure such as rolling stock, permanent way, signalling, telecommunications and electrical systems. The Passenger Rail Agency of South Africa Ltd. is proceeding with a turnaround plan to strengthen its financial position, reduce operational costs and to reverse the under investment and under funding in passenger rail, which should have an impact on service delivery and capacity.

Some strategic issues regarding roads facing the Department are:

- Review of the current Road Safety Strategy and the implementation of new strategy geared at achieving a reduction of accidents and the implementation of the Decade of Action by 2020.
- Improvement of service delivery at Driving Licence Testing Centres and Registering Authorities, to increase the output on the acquisition of driving licences and the licensing of motor vehicles.

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- Regulation of the Driving Schools Industry to enhance and improve the driving skills of drivers thereby reducing the number of accidents on public roads. The Department will continue implementing various policy interventions that seek to reduce contributory factors to roads accidents.

Ministerial outputs over the medium term include:

- Increasing the market share of freight to rail.
- Benchmarking the cost of building and maintenance of roads to assess our efficiency and to develop an appropriate funding model.
- Implementation of the Road Infrastructure Strategic Framework for South Africa (RISFSA), which addresses the priority of road maintenance.
- Implementation of the Rural Transport Strategy for South Africa.
- Implementation of road safety interventions and promote road safety to inculcate safe road usage to reduce of road accident fatalities.
- Benchmarking the cost of building and maintenance of roads to assess our efficiency and to develop an appropriate funding model.
- Implementation of the Road Infrastructure Strategic Framework for South Africa (RISFSA), which addresses the priority of road maintenance.
- Implementation of the Rural Transport Strategy for South Africa.
- Reduction of road accident fatalities.
- Development of Integrated Rapid Public Transport Networks.
- Finalization of Green Paper on National Rail Policy and stakeholder consultation.
- Establishment of an Interim Railway Economic Regulatory Capacity as a precursor to an envisaged Single Transport Economic Regulator in future.

To execute its mandate, the Department identified the following strategic outcomes over the medium term:

- An effective and integrated infrastructure network that serves as a catalyst for social and economic development: The Department will ensure the maintenance and strategic expansion of the road network, and support the development of road asset management systems in rural and provincial authorities. In addition the Department will support rail and ports efficiency and enhance capacity and competitiveness.
- Develop and implement legislative amendments to support road safety interventions.
- A safe and secure transport sector: The Department will implement various policy interventions that seek to reduce the number of accidents and incidents in the road, rail, aviation and maritime environment.
- An effective and integrated infrastructure network that serves as a catalyst for social and economic development: The Department will ensure the maintenance and strategic expansion of the road network, and continue to support the development of road asset management systems in rural and provincial authorities. In addition the Department will support rail and ports efficiency and enhance capacity and competitiveness.
- A safe and secure transport sector: The Department will implement various policy interventions that seek to reduce the number of accidents and incidents in the road, rail, aviation and maritime environment.
- Improved public transport systems: Over the medium term, the Department will implement measures to ensure an effective, efficient, affordable and accessible public transport system in both urban and rural areas through, among others, the implementation of integrated public transport networks, and establishment and strengthening of regulatory entities, acquisition of new rail rolling stock, and development and upgrading of priority passenger rail corridors.
- Increased contribution to job creation: The Department will prioritise job creation through the implementation

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of an industry empowerment model, the finalisation and approval of the maritime policy underpinned by industry development, and broad based black economic empowerment (BEE).

- Increased transport contribution to environmental protection and streamlining of the strategy and regulatory environment: The Department will implement measures aimed at reducing the impact of transport on climate change by supporting more energy efficient modes of freight and passenger transport and promote the use of cleaner fuels.

Key policy developments over the medium term include:

- A draft Green Paper on Rail Transport policy was finalized in April 2012 to create a foundation and framework to stimulate discussion for development and finalization of the National White Paper on Rail Transport Policy. The Green Paper is currently in consultation with key internal stakeholders within Government.
- Road Accident Benefit Scheme Policy and Bill: The draft policy was approved by Cabinet for publication in November 2009, and published in the Government Gazette in February 2010. In terms of an envisaged fundamental overhaul, the draft policy proposes that the Road Accident Fund be replaced by the Road Accident Benefit Scheme Administrator and that the current adversarial system be replaced with a scheme based on the principle of social security. The Department will continue the development of the Road Accident Benefit Scheme Policy along with the development of accompanied legislation and relevant communications about the policy.
- Aviation policy: The purpose of the national civil aviation policy is to address aviation safety and security; institutional arrangements; aviation infrastructure; air transport; general aviation; unmanned aircraft systems; aircraft operations and the environment; human resource development and training; and research and development. In addition the policy will ensure South Africa's compliance with the Convention on International Civil Aviation and address South African and regional civil aviation needs and requirements.
- Maritime transport policy: The intention of this policy is to promote the growth and transformation of the maritime shipping industry and transport sector in general. It seeks to realize regional and continental vision on maritime transport; create jobs throughout the maritime value chain; and grow the economy through efficient port and freight logistics.
- The Department, through the S'hamba Sonke road maintenance plan, developed a draft Road Asset Management Policy that will assist in quantifying and analysing the requirements of the road networks in South Africa. This includes "Knowing Your Network" (Extent of various road networks; Condition of road networks; Intervention on each road network; and Investment requirements on each road network). The policy is at the draft stage and is current being consulted with all interest and affected parties. The policy has been presented in the Road Asset Management Systems Sub-committee of the Committee of Transport Officials (COTO).
- A new formula to allocate funds for roads has been designed and is being applied to all provinces. The new formula is based on extent of road network and its condition; topography; road traffic and weather conditions. These factors reflect the different costs of maintaining road networks in each province. Future allocations will also depend on satisfactory use of the road asset management systems from 2013/14. The grant requires provinces to follow best practices for planning and to use and regularly update road asset management system.
- The Transport Laws and Related Matters Amendment Bill, which deals with amendments related to the Cross-Border Road Transport Act, 1998 and the South African National Roads Agency Limited and National Roads Act, 1998 was taken through the parliamentary processes. The Bill empowers the Cross-Border Road Transport Agency to collect toll on behalf of the South African National Roads Agency Limited. Furthermore, this Bill provides for the differentiation in respect of the amount of toll that may be levied; provides that the regulations made by the Minister must be published by notice in the Gazette; provides for the Minister to make regulations relating to specified toll-related matters; provides for the Minister to publish draft regulations in

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the Gazette calling for public comment; to provide for certain presumptions relating to the driving, operation and use of vehicles on a toll road and the use of electronic evidence to prove an alleged contravention of the South African National Roads Agency Limited and National Roads Act. This Bill was approved by the National Assembly in March 2013, and sent through for concurrence by the National Council of Provinces (NCOP) in April 2013.

- The Scholar Transport Policy shall be finalised to provide clear guidelines with regard to the transporting of learners in the country. This function is performed by different departments in the various province and a clear migration plan will be developed to address function shift challenges were migration is preferred.

5.1.2 Significant events that have taken place during the year

- The Passenger Rail Agency of South Africa (PRASA) has initiated a project for the acquisition of new rolling stock over a period of twenty years. The tender for the first phase was advertised in April 2012. Bids were received on 30 September 2012 and the preferred bidder was announced by the Minister on 5 December 2012. The contract will see the local manufacture of 3,600 vehicles over a period of ten years at a cost of R51 billion plus escalation. The preferred bidder is Gisela Rail Transport Consortium.
- International Civil Aviation Day: The Programme: Civil Aviation hosted a resoundingly successful International Civil Aviation Day (ICAD) that is celebrated annually on 07 December by all Member States of the International Civil Aviation Organization (ICAO) in fulfilment of the ICAO's Assembly Resolution A29-1:
 - o It was hosted by the North West Provincial Government at Mafikeng Airport in partnership with the various stakeholders in the aerospace industry organized under the banner of Joint Aviation Awareness Program (JAAP) of which the Department is a partner.
 - o The purpose of the annual celebration is; a) to establish and reinforce worldwide awareness of the importance of international civil aviation in the social and economic development of States; and b) to highlight the role of ICAO in promoting the safety, efficiency and regularity of international air transport.
 - o Its aim is to reach out to people in communities, which are less exposed to aviation. A total of 154 educators and 2 270 Grade 10–12 learners from 79 schools were exposed to a range of careers available in the aviation industry. These learners were invited from the schools falling within the various districts of the North West province. Worth mentioning is that 120 of the invited learners are those living with minor disabilities and they were from the schools adjacent to Mafikeng Airport.
 - o As the ICAD is celebrated annually on 07 December it summits the ongoing Promotion of Aviation Amongst Learners as a Career of Choice. The latter seeks to contribute towards unwinding the legacy of the past namely marginal participation of previously disadvantaged individuals in the aviation industry. This is addressed through month-to-month aviation career awareness campaigns that brings together aviation role players to pursue and achieve transformation of the aviation industry by ensuring that historically disadvantaged youth have access to aviation as a discipline and also play a part in the initiatives aimed at educating, raising awareness and career development.
- During the financial year, the Programme: Civil Aviation, working together with the JAAP Member Organizations managed to reach out to 214 schools across the nine provinces of the country. This number has surpassed the target of 70 schools. In an attempt to take the promotion of aviation career awareness amongst learners to new heights and also to upscale critical skills in the aviation industry, the ICAD 2012 event succeeded in identifying three student pilots from one of the local aviation partners namely the Africa Union Aviation Academy for whom sponsorship is being sought to support them to further their training towards attaining their Commercial Pilots Licenses during the 2013/2014 financial year.
- Launch of SIP 2 by Ministers Martins, Gigaba and Patel
- SIP 2 Ministerial engagements in Harrismith and Durban

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- The International Maritime Organisation held a conference of the maritime industry in Cape Town.
- A National Road Safety Debate was held, which included a Learner's National Road Safety Debate. Each province was represented by five learners and prizes were awarded.
- A National Safety Seminar was held on civil aviation safety.
- Road safety campaigns were held across provinces:
 - o The launch of the Festive season road safety campaign and Remembrance Day for victims of road accidents was held at Emalahleni in November 2012.
 - o Festive season road safety activations of implementation plans for December 2012 to January 2013 were done in Limpopo, Mpumalanga, Eastern Cape and Western Cape. and KwaZulu-Natal.
 - o The launch of the Easter Campaign for road safety took place in Polokwane on 10 March 2013.
 - o Road safety activations of implementation plans for the Easter Campaign took place in KwaZulu-Natal, Eastern Cape, Western Cape and in Polokwane.
- An international road safety conference was held.
- A Provincial Roads Infrastructure Summit was held to develop an integrated approach to address road infrastructure challenges.
- The Zenani Mandela Scholarship certification ceremony for road safety was held at Mthatha on 17 July 2012
- On the maritime transport issues, the following major events took place in 2012/2013:
 - o The Djibouti Code of Conduct was signed by the Minister of Transport in May 2012 at the International Maritime organization (IMO) headquarters. This code provides a framework for preventing acts of piracy at sea.
 - o The Diplomatic Conference on the Torrelimonos Convention was successfully held in Cape Town in October 2012. The conference resulted in the adoption of the Convention after more than 30 years of negotiation. This Convention seeks to protect the life of seafarers on fishing vessels and thus reduce the number of incidents and fatalities at sea within the fishing community.
 - o The World Maritime Day was successfully hosted in the Eastern Cape. During this event more than 100 students from disadvantaged communities were given an overview of career and skills development opportunities that exist in the maritime transport sector. The private sector provided bursaries for two students from disadvantaged communities to further their studies in maritime transport during the event.
 - o For the first time, the Department through the maritime transport branch has successfully sponsored the development of an Assistant Director: Legislation and Policy Development, at the International Maritime Law Institute in Malta.

5.1.3 Major projects undertaken during the year:

- Framework for Airport Slot Coordination:

The development of a formal slot coordination framework received priority attention during the period under review in order to address the growing congestion at the coordinated airports, requiring higher levels of efficiency as well as greater discipline around the usage of slots. South Africa currently has three airports which have been declared fully coordinated, namely O. R. Tambo International Airport, Cape Town International Airport and King Shaka International Airport.

The Slot Coordination Working Group, consisting of the Department of Transport, Airports Company South Africa, Air Traffic and Navigation Services Company, South African Civil Aviation Authority, Airline Association of South Africa, Board of Airline Representatives of South Africa, Commercial Aviation Association of South Africa, and Aircraft Owners and Pilots Association was formed as a consultative forum to assist the development of a suitable South African framework. Following extensive consultations, draft regulations were developed

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which would govern the use and management of slots at fully coordinated airports. These regulations have undergone the prescribed processes, including consideration by the Civil Aviation Regulations Committee and was submitted to the Minister for approval. The formal slot coordination framework was subsequently established following the promulgation of the Airport Slot Coordination Regulations, 2012, through publication in the *Government Gazette* on 22 February 2013.

- The National Household Travel Survey commenced:
 - o Sample selection process completed.
 - o Definitions in the Training Manual for Survey Officers finalised.
- Single Transport Economic Regulator:
 - o Completed international best practice exercise for rail, maritime and aviation; and multi-sector regulator.
 - o Consulted State Owned Enterprises and private sector companies to help complete a situational analysis.
 - o Conducted research on legislative design options.
- Durban-Free State-Gauteng Logistics and Industrial Corridor [Strategic Infrastructure Project (SIP) 2]:
 - o Northern Cluster (Gauteng): Tambo Springs in design or contracting stage (duration 2012 to 2019); Pyramid in pre-feasibility stage (duration 2011 to 2018); City Deep Container Terminal in construction stage (duration 2012 to 2013).
 - o Central Cluster (Harrismith): Agro-Logistics Hub Infrastructure in concept stage; Fuel Distribution Centre in construction stage.
 - o Southern Cluster (KwaZulu-Natal): Durban Port Container Terminal excluding Rail and Terminals in construction stage; Multi-Product Pipeline in construction stage (duration 2009 to 2014).
- A final report was submitted on Freight Movement Optimisation Plans.
- A study was done on the macro economic impact of transport.
- An economic analysis study on global competitiveness for transport was completed.
- The National Freight Corridor Framework was updated.
- Transport planning was done for the Gauteng-Durban corridor and public transport corridors as part of integrated public transport networks.
- Public Transport Vehicle Conversion from petroleum to compressed natural gas (CNG):
 - o Site visits were completed.
 - o Concluded tentative collaboration mechanisms with service providers that will convert public transport vehicles for their engines to run on both LPG and Compressed Natural Gas.
- Institutional Framework and Arrangements for Interim Rail Economic Regulator done.
- The Passenger Rail Agency of South Africa (PRASA) has initiated a project for the acquisition of new rolling stock over a period of twenty years. The tender for the first phase was advertised in April 2012. Bids were received on 30 September 2012 and the preferred bidder was announced by the Minister on 5 December 2012. The contract will see the local manufacture of 3 600 vehicles over a period of ten years at a cost of R 51 billion plus escalation.
- The Moloto Corridor Development project is registered as a logistical corridor under the Strategic Infrastructure Projects 1 (SIP 1), unlocking the Northern Mineral Belt, of the Presidential Integrated Coordinating Committee (PICC). The project has been registered as a Public Private Partnership (PPP) with Treasury, a project manager within the Department has been appointed as well as service providers appointed in October 2012. The feasibility study is currently on schedule and planned to be completed in March 2014. A final report will include the suitable and preferable transport solution and submission of Treasury Approval 1 (TA 1).
- A study was done on the devolution of the rail function to metropolitan areas.

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- The draft Green Paper on the Rail Policy was reviewed and the development of legislation commenced. The draft Green Paper position was consulted with key internal stakeholders – National Treasury, Department of Trade and Industry, Department of Public Enterprises, Transnet, Passenger Rail Agency of South Africa and the Railway Safety Regulator.
- The Accelerated Rolling Stock Upgrade Programme was started for rail, including the replacing of Signaling systems, upgrading of train stations and accompanied infrastructure.
- A new Provincial Road Maintenance Grant allocation formula was introduced, incorporating Network Extent; Network Condition; Traffic Volumes, Geo-climatic and Topographic factors.
- Provinces were assisted to implement the S’hamba Sonke road maintenance programme.
- The Traffic Sign Manual for the Southern African Development Countries was reviewed.
- Road safety:
 - o Finalised the development of a Task Team for Service Delivery Standards at Driving Licence Testing Centres.
 - o Developed a Road Safety Strategy/Road Safety Councils draft Policy.
 - o Rolled out a successful 2012/2013 Festive Season Road Safety Campaign.
- Consultations continued on the National Airport Development Plan:
 - o Consultations were held with Gauteng and Mpumalanga provinces on the applications for international status.
 - o Extensive consultations were held with the South African Civil Aviation Authority and Airports Company South Africa Ltd. and are ongoing.
- Developed a draft National Road Traffic Amendment Act and published the regulations for comments.
- Finalised the draft legislative amendments dealing with the regulation of driving schools.
- Finalised the process of appointment of a service provider to investigate the issuance of fraudulent roadworthy certificates.
- Finalised the development of the draft minimum service delivery standards to ensure improved service delivery at all customer contact centers.
- The refurbishment of Mthatha airport continued.
- A draft Green Paper on Maritime Transport Policy was completed, and will be further consulted.
- The Ballast Water Management bill that will give effect to the Ballast Water Management Convention has been drafted and consulted extensively with stakeholders in the maritime transport sector. This Bill will prevent pollution of SA ports by effective ballast water treatment.
- Two conventions on prevention of pollution by ships, MARPOL Annex IV and VI, have been approved for ratification by Cabinet. The ratification and adoption of these conventions into domestic laws will enable South Africa to prevent pollution at sea by ships.
- The Maritime Labour Convention of 2006 and its accompanying bill have been approved for domestic legislation by the NEDLAC. This convention empowers the seafarers and gives them access to fair labour conditions on par with global standards.
- The Inland Waterways Strategy has been introduced to the Small Vessels Committee of Stakeholders. If adopted by the relevant stakeholders, this strategy will assist with curbing the number of incidents and accidents in our inland waterways and dams.
- The wreck reduction of the SELI1 wreck in Bloubergstrand successfully took place with assistance of key role players, at no cost to the DoT. The wreck reduction has resolved the threat of interdepartmental dispute with the City of Cape Town and all issues raised by the Public Protector. The method applied to reduce the wreck has saved the Department a possible R40 million.
- The audit of ports security as per ISPS (International Ship and Port Facilities Security) code has been initiated

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and all the major commercial ports have been fully audited for compliance with the ISPS code. The findings and report of these audits will be available in the 2013/14 financial year.

- Review of the draft Merchant Shipping Act: Negotiated and agreed with the International Maritime Organisation (IMO) to provide technical assistance. The draft Amendment Bills have been drafted and are ready for presentation to Cabinet and Parliament.
- Review of the draft Ballast Water Act: The final stakeholder consultation meeting was held. The draft Bill and Regulations have been submitted to the Departmental Legal Services for processing.
- Oil pollution prevention services and watch keeping services for search and rescue continued.
- A total of 6 457 taxis were scrapped.
- The technical support and verification of bus contract and road infrastructure payments in provinces was started and 98% completed.
- The National Land Transport Act was reviewed.
- A study was completed on automated fare collection for public transport.
- Establishment of a National Public Transport Regulator, Provincial Public Transport Regulators and Municipal Regulatory entities:
 - 1 Provincial Public Transport Regulator was established in North West.
 - The establishment of the National Public Transport Regulator is underway.
 - 17 Interns were trained and placed in District Municipalities.
- Facilitate and Develop Integrated Public Transport Networks (IPTNs):
 - Rea Vaya Phase 1B: Buses were ordered and initial batch is due to be delivered in June 2013. Industry pre-negotiations are proceeding with full negotiations starting in 2013.
 - My CITi Partial Phase 1: On track – 16 km in operation from May 2011. 2 km additional already constructed but not operational. Additional 7 km to be constructed by Sept 2013. Added to the 2 km already completed this additional 9 km will be in operation by December 2013.
 - Nelson Mandela Bay (NMB) Phase 1: The Mayor launched the 25 bus pilot initiative in November and full operations have commenced.
- Develop Integrated Rapid Public Transport Networks in 12 cities by 2014 - Underway in four cities:
 - Ekurhuleni completed plans but new demand surveys are being undertaken.
 - Msunduzi is three quarters through their Operational Plan and are undertaking Business, Marketing and Communication Plans.
 - Mangaung redrafted Operational Plan tender specifications.
 - Rustenburg commenced infrastructure construction in October 2012.
 - Rea Vaya Phase 1B was launched.
- A second draft document on scholar transport safety norms and standards was developed.

5.1.4 Spending trends

The Department underspent its budget by R319 million against the adjusted budget for the year of R39.3 billion, an underexpenditure of 0.8%. A transfer payment from the Public Transport Infrastructure and Systems Grant amounting to R103.7 million was stopped due to consistent underspending by a municipality, and R104, 8 million was underspent against an additional amount allocated on the adjusted budget for the upgrade of the Mthatha Airport, because of the timing of the expenditure. These two items make up 65% of the under expenditure.

Projects amounting to R 73.4 million were delayed or could not be completed, invoices were late in the amount of R18.3 million, and savings of R9.5 million were realised on goods and services and R1.9 million on capital expenditure.

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Fewer taxis were scrapped than budgeted for, resulting in savings of R5.9 million. Compensation of employees was underspent by R1.5 million due to posts that could not be filled.

Explanations for the under expenditure can be viewed in Note 4 to the Appropriation Statement.

Rollovers of unspent funds were requested as detailed below:

Rollovers requested	R'000
Programme 1: Administration:	
Programme Management Unit monitoring and Evaluation tool	235
Programme Management Unit operational plans for the Africa Cup of Nations 2013	3,013
Supply and installation of the PABX system	5,679
Supply and installation of microphones in the Boardrooms	468
Supply and installation of door numbers and names	615
Appointment of a Transaction Advisor for new premises	3,593
Transaction Advisor for a new Public Private Partnership for fleet management services	4,766
Road Accident Benefit Scheme Policy	6,116
Transfer to University of Stellenbosch	242
Office Accommodation	6,000
Sub total	30,727
Programme 2: Integrated Transport Planning:	
Development of a transport rural accessibility/multi-deprivation index for South Africa	1,510
Programme 3: Rail Transport:	
Moloto Development Corridor	8,000
Programme 4: Road Transport	
Conducting investigations into the issuance of fraudulent roadworthy certificates	2,600
Programme 5: Civil Aviation:	
Establishment of the Aviation Safety Investigation Board	2,150
Appeals Committee	1,325
Regulating Committee	2,900
Mthatha Airport refurbishment	104,762
National Airports Development Plan	926
Sub total	112,063
Programme 7: Public Transport:	
National Public Transport Regulator	7,000
Taxi Recapitalisation 2020 (TR3 2020) strategy	6,000
Oversight of Integrated Rapid Public Transport Networks	5,000
National Land Transport Information Systems	15,000
Sub total	33,000
Total of rollovers requested	187,900

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5.1.5 Adjusted budget and virements

A budget of R38,828,952,000 was allocated to the Department. In its Adjusted budget, additional amounts totalling R818,276,000 were allocated to the Department. This brought the total revised allocation to R39,647,228,000. The additional amount was made up as follows:

Details of budgets	R'000	R'000
Original budget		38,828,952
Funds rolled over from the previous year:		80,376
National Household Travel Survey	34,900	
Development of rail policy and act	2,308	
Technical support and verification of bus contract payments	8,500	
Technical support and verification of road infrastructure payments	30,200	
S'Hamba Sonke Programme Management support	4,468	
Significant and unforeseeable economic and financial events:		3,130
Higher personnel remuneration increases than the main budget provided for	3,130	
Unforeseeable and unavoidable expenditure		470,000
Removal of the Seli 1 wreck from the Bloubergstrand beach near Table Bay	20,000	
Refurbishment of Mthatha Airport	450,000	
Self financing amounts:		297,000
Transaction fees for vehicle registrations	297,000	
Savings		(32,230)
Underspending on taxi recapitalisation transfer	(32,230)	
Total of Adjusted Budget		<u><u>39,647,228</u></u>

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5.1.6 Other material matters

Gauteng Freeway Improvement Project

The implementation of electronic tolling (e-tolling) on the improved Gauteng Freeways was delayed. In the event that the South African National Roads Agency Ltd. (SANRAL) may not be able to meet its financial commitments, its creditors may call up the guarantees that were provided by government, and government shall have to settle the commitments. Any expenditure that may be incurred by government as a result of guarantees that are called up by creditors, shall constitute unauthorised expenditure for the Department. Financial guarantees that were issued are listed on Annexure 3A to the Annual Financial Statements.

Card production contract

The card production contract has been extended and the Department is investigating the validity of the extension with the intention of disputing the extension.

Irregular contracts concluded

Officials of the Department entered into irregular contracts without following any procurement procedures and for which the cost was not budgeted for. The Department is in a process of disputing the legality of these contracts and investigating these cases. Two cases are listed below:

- A contract was entered into for software that is not required by the Department at a cost of R39.4 million over three years.
- An agreement was entered into for the replacement of a PABX at a cost of R12.4 million while the Department already awarded a bid for the replacement of the PABX.

Unauthorised expenditure:

Unauthorised expenditure of R1.2 billion was incurred in 2008/09 and 2009/10 as overexpenditures of the budgets of Programme 7, due to bus subsidy claims. According to procedure, National Treasury was requested to advise Parliament regarding the approval or otherwise of the unauthorised expenditure.

The national bus subsidy budget was moved to Conditional Grants under the Division of Revenue Act (DORA) from 2009/10 onwards, so that expenditure on bus subsidies can be limited and better managed to ensure that there is no future overexpenditure on bus subsidies.

Fruitless and wasteful expenditure:

Statement of Financial Position and Note 9 to the Annual Financial Statements:

An amount of R469,771 that was included in Other debtors in prior financial years was moved to Fruitless and wasteful expenditure. The expenditure was as a result of the fraudulent delivery and collection of printer cartridges, and is deemed to be fruitless and wasteful due to an act or omission of an official who released the items and because the Department did not yet investigate the case or reported the criminal case to the South African Police Services.

The Department will ensure that the case is investigated and will lodge a criminal case with the South African Police Services.

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Disclosure Note 28 to the Annual Financial Statements:

The Department incurred fruitless and wasteful expenditure of R643,942 during the financial year as a result of “no shows” on vehicle hire and accommodation and services paid for not rendered, of which R1,070 was transferred to debts. A total of R108,119 was written off, including cases from previous financial years. Of the remaining cases amounting to R643,941 at the end of the financial year, R96,601 is in the process of being recovered, R38,529 was included in provisions because the amounts will be written off, and R547,608 is under investigation. Amounts are written off when it is not recoverable because the “no show” was not as a result of a fault of the traveller or officials who made travel arrangements.

Irregular expenditure:

Also refer to Note 27 to the Annual Financial Statements.

Irregular expenditure of R347,369,954 was incurred during 2012/2013 as follows:

- Further expenditure incurred on “site refresh” costs on sites that is managed by a service provider on behalf of the Department without inviting competitive bids, amounting to R1,606,088 in 2012/2013 and R41,852,448 in previous financial years. The matter was investigated, and a disciplinary process is underway.
- Publications were arranged without inviting competitive bids amounting to R492,412. The matter was investigated and a disciplinary process is underway.
- The least expensive quotation was accepted for R60,392 instead of the quotation that scored the highest points. The matter is being investigated.
- Bids were not invited for a construction project amounting to R345,237,479. The National Treasury condoned the expenditure before it was incurred.
- An amount of R26,417 incurred in a previous financial year was recovered.

Four cases of irregular expenditure, amounting to R347,653,828 were condoned. In two cases, disciplinary steps could not be taken because the responsible officials left the employ of the Department. One case is under investigation.

Measures that were put in place detected the incidents of irregular expenditure, and are aimed at preventing irregular expenditure. In some cases control measures cannot prevent irregular expenditure, such as:

- A component receives quotations from Supply Chain Management for approval, but contacts the service provider that scored the highest points directly to commence with the work or deliver the goods without obtaining an official order.
- Although an order was issued to a service provider, the relevant component approved additional work without obtaining prior authorisation.
- Cases in which a component does not obtain quotations and authorises work without following procurement procedures.

Measures that were put in place to prevent and / or detect irregular expenditure are as follows:

- All cases are referred to the Department’s legal services to determine whether any official can be held liable and relevant managers are requested to take disciplinary steps.
- The Bid Adjudication Committee will not consider condoning irregular expenditure until a legal opinion has been obtained where applicable and disciplinary steps were considered.
- The contract management system monitors all payments against orders that are placed, and will detect payments that exceed the contract value.
- The contract management system will detect any payments that are approved for processing for which no order was placed.
- Payments for all procurements must be processed via Supply Chain Management so that any irregular procurement can be detected before payment.

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- To prevent the occurrence of not completing the internal order and requisition forms, the Supply Chain Management component does not make any approval documents or letters of acceptance available until the internal order and requisition forms are completed.
- Initiatives to train all officials who are involved in the approval of procurement matters will continue.

Electronic National Traffic Information System (eNaTIS) transaction fees

The Department is responsible for the maintenance and operations of the eNaTIS system. Transaction fees on the renewal of motor vehicle licenses were introduced in June 2007 to fund the cost of eNaTIS maintenance and operations, and were earmarked for this purpose.

In 2007, National Treasury issued a Practice Note stipulating that the Road Traffic Management Corporation (RTMC) must collect the transaction fees and pay all of the transaction fees that it collected over to the Department. The Department must transfer all the fees received from the RTMC into the National Revenue Fund. Income from transaction fees that was paid into the National Revenue Fund is requested back on the Adjusted Budget of the Department as a self-financing allocation to cover the cost of maintaining the eNaTIS system.

During 2009/10, the RTMC did not pay all of the transaction fees that it collected over to the Department and irregularly used an amount of R200.5 million to fund projects of the RTMC. This amount is included in receivables (claims recoverable) of the Department as an amount owing to the Department by the RTMC on Note 12.1 and Annexure 4 to the Annual Financial Statements. The amount was also included in Disclosure Note 32 as an impairment to debtors in the Annual Financial Statements because the amount may not be recovered from the RTMC.

In turn, the amount of transaction fees that the RTMC used for its own purposes is due to be paid over to the National Revenue Fund as soon as the funds are collected. The amount of R200,5 million that the Department owes to the Revenue Fund is included in payables in Note 17.2 to the Annual Financial Statements.

During the financial year, the RTMC stopped paying over transaction fees that it collected to the Department. Currently the Department does not have evidence that the RTMC spent any of the money on other projects, and therefore the further amounts that was withheld by the RTMC is not included in receivables and payables. Included in receivables in Note 12.4 to the Annual Financial Statements, is the cost of eNaTIS maintenance that was incurred by the Department, amounting to R705 million, that was not yet recovered. No recoverable amounts remain in the National Revenue Fund, because the RTMC stopped paying over the transaction fees.

Although all efforts will be made to recover transaction fees collected by the RTMC, the cost that was incurred on eNaTIS maintenance for which no funds were collected by the Department is included as an impairment to debtors in disclosure note 32 to the Annual Financial Statements.

5.2 Services rendered by the Department

5.2.1 Programmes

Programme 1

The programme provides for the strategic leadership and corporate support to the Minister and the Department's senior management, as well as for various activities associated with organising, managing and administering the Department. The programme also plays a role in building capacity, supporting identified centres of development among the tertiary institutions that provide transport-related education, and supporting the Transport Sector Education and Training Authority. The programme is also responsible for promoting the efficient use of Government motor transport and for determining policy for Government's subsidised motor transport scheme.

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Programme 2

Integrated Transport Planning manages and facilitate national strategic planning including the planning for new projects, and conducts research and formulates national transport policy, including for the cross-modal area of logistics. It also coordinates international and inter-sphere relations.

Programme 3

Facilitate and coordinate the development of sustainable rail transport policies, rail economic and safety regulatory frameworks, infrastructure development strategies and systems that reduces system costs and improves customer service. This programme monitors, and oversees the Railway Safety Regulator (RSR) and the Passenger Rail Agency of South Africa (PRASA). The focus is also on the implementation of integrated rail services planned through the lowest competent sphere of government.

Programme 4

Road Transport ensures safety and security on public roads by the regulation of road traffic management and ensuring the maintenance and development of an integrated road network, through the development of roads related safety and infrastructure standards and appropriate guidelines. The programme also oversees that road based agencies implement the strategic priorities of the department and the government, and ensures that provincial road expenditure is implemented in accordance with government priorities.

Programme 5

Civil Aviation facilitates the development of an economically viable air transport industry that is safe, secure, efficient, environmentally friendly and compliant with international standards through regulation and investigation and to oversee aviation public entities.

Programme 6

Maritime Transport coordinates the development of a safe, reliable and economically viable maritime transport sector through the development of policies and legislation, and through monitoring and oversight of maritime public entities.

Programme 7

Public Transport develops norms and standards as well as regulations and legislation to guide the development of public transport for rural and urban passengers. It regulates interprovincial public transport and tourism services, and monitors and evaluates the implementation of the public transport strategy and the National Land Transport Act (2009).

5.2.2 Tariff policy

The Department does not charge tariffs. A range of tariffs and levies are, however, charged by Public Entities and the Trading Entity under the control of the Department. The Minister of Transport and National Treasury approve these tariffs and levies.

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5.2.3 Free Services

The Department does not render free services.

5.2.4 Inventories

Inventory at the end of the financial year comprised of stationery that was valued at cost on the first in first out basis, amounting to R29,080 (2012 R39,860).

5.3 Capacity constraints

Major capacity constraints and their impact on programmes and service delivery in the transport sector remain as follows:

- The demand for road and rail transport far outstrips the capacity of Government to fund these needs.
- The provincial and local Government's road infrastructure is collapsing through lack of maintenance. Backlogs in road maintenance limit the expansion of the road network, the maintenance of the road network and increases road transportation costs. This is exacerbated by an inability from Roads Authorities, particularly lower order municipalities, to effectively quantify the extent and condition of their network within their jurisdiction. This is attributable to a range of factors including lack of technical engineering skills, budgetary constraints and either poorly maintained or no information technology systems in place to ensure effective asset management. Through the Provincial Road Maintenance Grant provinces were allowed to use up to R10 million per annum to hire technical staff, and up to R1,000 per km per year for paved roads and R500 per km per year for gravel roads of the grant to conduct visual condition assessments for a defined km of road network. Provinces that wanted to use these funds approached the Department for assistance.
- The bulk of the rail infrastructure has reached the end of its economic life. This has severe implications for the punctuality of rail services where frequent breakdowns limit the number of operational rolling stock available due to ongoing maintenance and refurbishment.
- Airport infrastructure needs to keep pace with demands of passenger volume increases. This will require, inter alia, optimising current assets through improving operational efficiency.
- Capacity of ports and the efficiency of port operations need to keep pace with the demands of the economy.
- Serious capacity constraints are being experienced in the roll out of the Public Transport Strategy and Action Plan. Limited public transport planning, business planning and operational (logistical) capacity are available at Provincial and Local levels.
- South Africa requires a maritime transport policy to position itself in the global maritime network and to ensure economic development, job creation and transformation in the maritime industry.
- With regard to anti-piracy measures, the Department has signed the Djibouti Code of Conduct in May12 at the International Maritime Organisation headquarters . The Department now has to ensure that the code is implemented by the various stakeholders within the NATJOINTS and other State Security agencies.
- Within the context of the maritime transport policy, South Africa requires a Coastal Shipping strategy and well-defined transshipment strategy to create opportunities and jobs for South Africans in the maritime transport sector.
- The International Oil Pollution Fund Bill (IOPC) and the Civil Liability Convention Bill (CLC) need to be approved by Parliament in order to protect the South African government against major claims should a major oil spill disaster occur in our waters.

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- The multilateral African Union (AU) Yamoussoukro Declaration of 1988 and the Decision Relating to the Implementation of the Yamoussoukro Declaration Concerning the Liberalisation of Access to Air Transport Markets in Africa of 2000 aim to promote more efficient aviation services across Africa by liberalising air transport for all intra-Africa air services and to harmonise air transport policies in Africa. To date, the Declaration and Decision have only been partially implemented across the continent, mainly through bilateral air services agreements.
- The Department has identified scarce and critical skills in the areas of engineering, logistics, aviation, maritime and road transport (law enforcement officers, incident managers) in collaboration with other partners and stakeholders in the transport sector.
- There are shortages of qualified maritime staff to deliver on strategic outputs such as the development of a maritime transport policy and a maritime security strategy.

Some of the activities that were undertaken to reduce the impact of these capacity constraints are:

- The implementation of the Road Infrastructure Strategic Framework for South Africa addresses road maintenance as well as the roll-out of a road asset management system and the re-classification of the road network, which will inform the prioritisation of roads to be maintained.
- A preferred bidder for the provision of new rolling stock for PRASA over the next ten years was announced.
- The development of the National Airports Development Plan to ensure the airport infrastructure is kept in line with demand to address the rapid increase in air passenger volumes and airport infrastructure.
- The growing congestion at the three fully coordinated airports, requiring higher levels of efficiency as well as greater discipline around the usage of slots, will be addressed through the implementation of the Airport Slot Coordination Regulations, 2012.
- The development of a Freight Logistics Strategy, National Transport Master Plan, Public Transport Strategy and National Passenger Rail Plan.
- Monitoring the outcome, effectiveness and impact of policies on the performance of the transport system.
- Developing a national strategic transport infrastructure framework for all modes of transport.
- Developing and implementing an integrated infrastructure investment plan.
- Developing transport planning requirements, guidelines and standards for alignment of transport plans with other sector plans.
- Development and facilitation of an inter sphere strategic implementation framework for national programmes.
- In addressing the scarce skills, the Department continues its skills development interventions through partnerships with the Centres of Development (COD's), COD-Alumni initiative, Prague Scholarship Programme, internships and learnerships. Officials also participated in specialised training programmes, both in and outside of the country.

5.4. Utilisation of donor funds

The United Nations Development Programme made R1,8 million available over a period of two years, to annually support the stipends of young graduates within the Department across various transport areas. Funding was further made available to assist the unemployed graduates in the State Owned Enterprises to acquire workplace based experience within the scarce skill and critical areas, to strengthen the skills base in areas where skills shortages exist within the respective entities. The Road Traffic Management Corporation and the Cross Border Road Transport Agency have benefited from the funding. 19 Unemployed graduates were further supported to strengthen the capacity base of 14 district municipalities in transport planning. An amount of R601,821 was provided to the Department to support

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young professionals. Over and above that, a separate allocation of R2.3 million was provided to Programme 7: Public Transport, to advance this capacity building initiative, of which R1.3 million was spent in the year. It is expected that the balance will be spent by June 2013. The Transport Education and Training Authority has also contributed an amount of R265,000 to support department interns through its mandatory grant.

5.5. Trading entities and public entities

Also refer to Annexure 2A to the Annual Financial Statements.

Passenger Rail Agency of South Africa Ltd.

(Chapter 5 of the Legal Succession to the South African Transport Services Act, 1989 (Act No. 9 of 1989))

The main function of the Passenger Rail Agency of South Africa is to ensure that rail commuter services are provided in the public interest at the request of the Department of Transport or any local government body designated as a transport authority. The Agency inherited all assets (land and properties) in and around commuter stations and corridors from the South African Transport Services for the purpose of commercialising them in order to reduce the Government subsidy for commuter rail. The property portfolio is managed by Intersite Property Management Services, a wholly owned subsidiary of the Agency, which was established in 1992. The Agency successfully merged with Metrorail Services in 2007/08, formerly a division of Transnet, to provide commuter rail services. These services are provided in six regions: Gauteng, Tshwane, Cape Town, Durban, Port Elizabeth and East London.

The second phase of merging rail services was completed in March 2009 with the incorporation of Shosholozza Meyl into the Agency. The Agency also took over Autopax from Transnet to increase public transport services, initially for the 2010 Soccer World Cup event.

The financial performance of the Agency can influence the level of public transport subsidies needed to sustain rail commuter subsidies. The enhancement and maintenance of rail infrastructure is key to the policy of promoting a fair playing field for various modes of transport, particularly for public commuter transport subsidies. A major backlog still exists in the rail capital infrastructure.

Government issued guarantees to the Passenger Rail Agency of South Africa of R1.216 billion to guarantee the obligations of Autopax (Pty) Ltd. for the provision of inter-city buses. The remaining guarantee amounts to R133 million at 31 March 2013.

South African National Roads Agency Limited

(The South African National Roads Agency Limited and National Roads Act, 1998 (Act No. 41 of 1998))

The purpose of the South African National Roads Agency is to maintain and develop South Africa's national road network and to manage assets relating to the national road network. The enabling Act charges the Agency, a company registered in terms of the Companies Act, with the following principal tasks:

- Strategically plan, design, construct, operate, rehabilitate and maintain the national roads.
- Deliver and maintain a world-class primary road network.
- Generate revenues from the development and management of assets.
- Undertake research and development to enhance the quality of roads.
- Advise the Minister of Transport on matters relating to roads.

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Report of the Accounting Officer
for the year ended 31 March 2013

- Upon request from the Minister of Transport and in agreement with a foreign country, to finance, plan, construct, acquire, provide, operate and maintain roads in that country.

The financial performance of the Agency, with respect to its Public-Private Partnerships, is crucial for the generation of alternative funding mechanisms for the creation and maintenance of national road infrastructure. The Agency's ongoing maintenance of existing national road infrastructure and participation in overloading control initiatives contribute to maintaining transport infrastructure, reducing the need for major future road refurbishment and reducing damage to roads, thereby improving road safety.

Government issued guarantees to the South African National Roads Agency to cover capital market loans of R31.91 billion, bonds and money market loans of R 6 billion, a loan for construction work on the N1 for an amount of R 800 million, and a loan for R1.147 billion.

Road Accident Fund

(The Road Accident Fund Act, 1996 (Act No. 56 of 1996))

The Road Accident Fund compensates victims of vehicle accidents on terms and conditions provided for in various Acts. The Fund receives a dedicated Road Accident Fund levy, which is imposed on petrol and diesel.

The financial performance of the Road Accident Fund impacts on the public's expectation of to what extent they will be compensated for personal injury and fatalities due to certain road accidents. It therefore influences the portion of the fuel levy allocated to the Fund and also influences the concerns of stakeholders and Government regarding the sustainability of the Fund to meet its future commitments.

Cross-Border Road Transport Agency

(The Cross Border Road Transport Act, 1998 (Act No. 4 of 1998))

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

Air Traffic and Navigation Services Company Limited

(The Air Traffic and Navigation Services Company Act, 1993 (Act No. 45 of 1993))

The Air Traffic and Navigation Services Company is responsible for the safe, orderly and expeditious flow of air traffic, and navigational and associated services in its area of control. It provides extensive air traffic information services and related aeronautical support services in the major airspace corridors and at 21 airports throughout South Africa. The company's Aviation Training Academy is a well-established facility currently used by South African students and a large number of African countries for air traffic services training, as well as technical training for equipment support. The company currently manages approximately 10 percent of the world's airspace.

The financial performance of the Company has an impact on cost of the efficiency and effectiveness of aviation safety and the concomitant reliance placed on aviation safety measures in the country and in the SADC region.

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Report of the Accounting Officer
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South African Maritime Safety Authority

(The South African Maritime Safety Authority Act, 1998 (Act No. 5 of 1998))

The South African Maritime Safety Authority aims to ensure the safety of life and property at sea, to prevent and combat pollution of the maritime environment by ships, and to promote South Africa as a maritime nation. The financial performance determines the rate at which Maritime safety regulations can be promulgated and implemented.

South African Civil Aviation Authority

(The Civil Aviation Act, 2009 (Act No. 13 of 2009))

The primary purpose of the Civil Aviation Authority is to promote, regulate and support high levels of safety and security throughout the civil aviation industry. Its core activities relate to aviation safety and security oversight of operations, aircraft, personnel, airports and airspace. The Authority also renders aircraft accident and incident investigation services on behalf of the Department of Transport.

The performance of the authority can determine the rate at which Aviation safety regulations can be promulgated and implemented.

Airports Company South Africa Limited

(The Airports Company Act, 1993 (Act No. 44 of 1993))

The Airports Company of South Africa's main operational activities is in three areas:

- Airport services, including the provision and maintenance of runways, taxi-ways and aprons together with terminal facilities, security, fire and rescue services
- Retail and commercial landlord activities, including the provision of space within terminals to appropriate retailers (generally through turnover-related concessions) and the provision of other sites to operators such as car hire firms, banks and advertisers.
- Property activities, including the development of airport infrastructure, retail and office premises and car parking facilities.

The financial performance of the Company influences the rate at which airport infrastructure and operations can be improved and maintained to comply with safety and security regulations and needs.

Road Traffic Management Corporation

(Road Traffic Management Corporation Act, 1999 (Act No.20 of 1999))

The Corporation is responsible for road traffic law enforcement, training of traffic personnel, vehicle registration, licensing and roadworthiness testing, driver testing and licensing, management of traffic information systems, accident investigation and recording and public road safety awareness communication.

The financial performance of the Road Traffic Management Corporation influences the effectiveness and funding needs for all spheres of Government involved in road traffic law enforcement.

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Railway Safety Regulator

(National Railway Safety Regulator Act, 2002 (Act No.16 of 2002))

The Railway Safety Regulator (Regulator) was created in order to:

- Provide for and promote safe railway operations;
- Encourage the collaboration and participation of interested and affected parties in improving railway safety;
- Recognise the prime responsibility and accountability of railway operators in ensuring the safety of railway operations;
- Facilitate a modern, flexible and efficient regulatory regime that ensures the continuing enhancement of safe railway operations; and
- Promote the harmonisation of the railway safety regime of the Republic of South Africa with the objectives and requirements for safe railway operations of the Southern African Development Community.

Ports Regulator

National Ports Act, 2005 (Act No. 12 of 2005)

Main functions of the Ports Regulator:

- Prevent abuse of power by the Ports Authority;
- Ensure equality of access to the provision of port services;
- Monitor the business relationship between Transnet and the Ports Authority to ensure that Transnet does not derive an unfair advantage over other transport companies; and
- Ensure that revenues generated by the Ports Authority are used to the benefit of the Authority and its customers.

Driving License Card Account

The Driving Licence Card Account is a trading entity established to manage bank accounts into which Driving Licence Testing Centres pay funds for the manufacturing of credit card driving licences, and from which the cost of manufacturing these cards are paid.

The primary functions of Driving Licence Card Account are:

- The management of driving licence card fee bank accounts.
- Billing and collection of card fees from all provinces
- Management of the contract for the card production of driving licence cards.
- Overseeing the manufacturing and delivery of driving licence cards.
- Managing live capture units deployed in all provinces used for processing applications for driving licence cards.

The South African Search and Rescue (SASAR) Organisation

(South African Maritime and Aeronautical Search and Rescue Act, 2002 (Act No. 44 of 2002))

SASAR is not a public entity or trading entity, but a cooperative organisation that coordinates search and rescue services.

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SASAR was established to ensure a coordinated and effective provision of maritime and aeronautical search and services within the South African search and rescue regions.

The primary functions of SASAR are to co-ordinate available resources to:

- Search for, assist and, where appropriate, effect a rescue operation for:
 - o Survivors of aircraft crashes or forced landings;
 - o The crew and passengers of vessels in distress;
 - o Survivors of maritime accidents or incidents; and
 - o Survivors of any military aircraft or vessel accident or incident if such aircraft or vessel is not engaged in an act of war.
- Coordinate the evacuation of a seriously injured or ill person from a vessel at sea where the person's condition is such a nature that he or she must obtain medical treatment sooner than that vessel would be able to get him or her to a suitable medical facility.

Air Services Licensing Council (ASLC)

The Air Service Licensing Council (ASLC) is a statutory body established in terms of Section 3 (1) of the Air Services Licensing Act No.115 of 1990. The Air Services Licensing Act, 1990, regulates access to the domestic air services market based on airlines' ability to operate safe, secure and reliable air services. No economic regulation is applicable for entry into the domestic market.

The purpose of the Air Service Licensing Council is:

- To adjudicate the applications for operation of Domestic Air Services;
- The licensing and control of air services; and
- The monitoring of air services to ensure safety and reliability.

International Air Services Council (IASC)

The International Air Services Council (Council) is a statutory body, established in terms of Section 3 of the International Air Services Act 60 of 1993. The Council is responsible for adjudicating applications for licenses and permits to operate International Air Services to and from South Africa.

The purpose of the International Air Service Council is:

- To adjudicate the applications for operation of International Air Services;
- Promote trade with, and tourism to and from, the Republic;
- Promote competition between persons who operate International Air Services;
- Promote a high standard of safety in the operation of International Air Services;
- Promote the development and interest of the local International Air Services industry; and
- Promote the interest and needs of users, or potential users, of International Air Services in the Republic.

Regulating Committee for ACSA and ATNS ("The Regulating Committee")

The Regulating Committee is a statutory body and was established through the promulgation of the Airports Company Act, 1993 (Act No. 44 of 1993). The mandate of the Regulating Committee is the economic and service standards regulation of both the Airports Company South Africa (ACSA) and the Air Traffic and Navigation Services Company (ATNS), to ensure that they do not abuse their monopoly positions.

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The Regulating Committee is expected to perform its duties in terms of the Airports Company Act, 1993, and the Air Traffic and Navigation Services Company Act, 1993 (Act No. 45 of 1993), in such a manner as is best, calculated to:

- Restrain ACSA and ATNS from abusing their monopoly positions, in such a manner as to not place undue restrictions on their commercial activities;
- Promote the reasonable interest and needs of the users of ACSA owned airports, navigation infrastructure, air traffic services and air navigation services;
- Promote the safe, efficient, economical and sustainable operation of the ACSA owned airports, navigation infrastructure, air traffic services and air navigation services;
- Encourage the timely improvement of facilities at ACSA owned airports and air navigation infrastructure so as to satisfy anticipated demands by users; and
- Ensure that ACSA and ATNS, after taking into consideration any compensation paid, or to be paid, to them by the State, are able to finance their obligations and have a reasonable prospect of earning a commercial return.

5.6 Organisations to whom transfer payments have been made

Transfer payments are reported on in Note 6 in the Notes and Note 36 of the Disclosure Notes to the Annual Financial Statements and are listed in Annexures 1A to 1I to the Annual Financial Statements.

Entities to whom transfer payments were made	Amount R'000	Reason for transfer
Departmental agencies	9,910,198	
South African National Roads Agency Ltd.	9,728,055	National roads
Railway Safety Regulator	39,349	Railway safety
South African Civil Aviation Authority	17,025	Aviation safety
South African Maritime Safety Authority	9,288	Maritime safety
Road Traffic Management Corporation	82,412	Road traffic management
Ports Regulator	15,069	Ports regulation
Road Traffic Infringements Agency	19,000	Road traffic infringements
Foreign Governments and international organisations	8,693	
Membership Fees: African Civil Aviation Commission	2931	Membership fees
Membership Fees: Cospas Sarsat Contribution	355	Membership fees
Membership Fees: International Civil Aviation Organisation	5000	Membership fees
Membership Fees: International Maritime Organisation	407	Membership fees
Households other transfers	408,088	
Taxi Scrapping Administrator	407,437	Taxi scrapping
Sponsorships	24	Sponsorships
Leave gratuity	627	Leave gratuity
Municipalities - Public Transport Infrastructure and Systems Grant	4,884,401	
Johannesburg	1,195,000	Public transport infrastructure and systems
Tshwane	748,702	^
Cape Town	1,348,702	^
Ethekwini	598,703	^
Mangaung	20,000	^
Mbombela	98,703	^
Nelson Mandela	298,702	^

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Entities to whom transfer payments were made	Amount R'000	Reason for transfer
Polokwane	98,703	^
Ekurhuleni	50,000	^
Rustenburg	303,484	^
Buffalo City	78,702	^
Msunduzi	45,000	^
Municipalities - Rural Transport Grant	37,295	
Chris Hani	1,776	Rural road asset management
OR Tambo	1,776	Rural road asset management
Sekhukhune	1,776	Rural road asset management
Umkhanyakude	1,776	Rural road asset management
Amatole	1,776	Rural road asset management
Ukhahlamba/Joe Gqabi	1,776	Rural road asset management
Alfred Nzo	1,776	Rural road asset management
Ugu	1,776	Rural road asset management
uMgungundlovu	1,776	Rural road asset management
Uthukela	1,776	Rural road asset management
Umzinyathi	1,776	Rural road asset management
Amajuba	1,776	Rural road asset management
Zululand	1,776	Rural road asset management
uThungulu	1,776	Rural road asset management
Sisonke	1,776	Rural road asset management
iLembe	1,776	Rural road asset management
Mopani	1,776	Rural road asset management
Vhembe	1,776	Rural road asset management
Capricorn	1,776	Rural road asset management
Ngaka Modiri Molema	1,776	Rural road asset management
Dr Ruth Segomotsi Mompati	1,775	Rural road asset management
Non-profit institutions	17,827	
National Emergency Communications Division of the South African Radio League	69	Search and rescue services
Mountain Club of South Africa	69	Search and rescue services
Off Road Rescue	69	Search and rescue services
National Sea Rescue Institute	1,160	Search and rescue services
Taxi: SANTACO	16,460	Taxi operations
Provinces - Public Transport Operations Grant	4,317,269	
Province - Eastern Cape	174,466	Public transport operations - bus subsidies
Province - Free State	192,872	^
Province - Gauteng	1,625,746	^
Province - KwaZulu-Natal	808,279	^
Province - Limpopo	260,725	^
Province - Mpumalanga	439,003	^
Province - North West	80,686	^
Province - Northern Cape	39,255	^
Province - Western Cape	696,237	^

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Report of the Accounting Officer
for the year ended 31 March 2013

Entities to whom transfer payments were made	Amount R'000	Reason for transfer
Provinces - Provincial Road Maintenance Grant	7,981,845	
Province - Eastern Cape	1,369,985	Provincial roads
Province - Free State	564,930	Provincial roads
Province - Gauteng	579,081	Provincial roads
Province - KwaZulu-Natal	1,501,171	Provincial roads
Province - Limpopo	1,168,594	Provincial roads
Province - Mpumalanga	1,240,694	Provincial roads
Province - North West	594,789	Provincial roads
Province - Northern Cape	483,706	Provincial roads
Province - Western Cape	478,895	Provincial roads
Public Corporations	10,227,905	
Passenger Rail Agency of South Africa Ltd.	10,227,905	Commuter rail
Universities and Technikons	9,406	
University of Stellenbosch	3,216	Capacity development
University of Pretoria	2,661	Capacity development
University of KwaZulu-Natal	2,934	Capacity development
North West University	279	Capacity development
Tshwane University of Technology	91	Capacity development
University of Johannesburg	225	Capacity development
TOTAL	37,802,927	

Accountability Arrangements

The relevant Acts, Memoranda of Understanding, Shareholder Compacts and Performance Agreements govern the accountability arrangements for transfer payments to public entities under the control of the Department, and accountability arrangements with Provinces and Local government to which transfer payments are made. Public entities are also required to submit quarterly reports on performance to the Minister of Transport, and recipients of conditional grants must comply with the provisions of the Division of Revenue Act.

For all transfers, written assurances were obtained from the entities in terms of section 38(1)(j) of the Public Finance Management Act that the entity implements effective, efficient and transparent financial management and internal control systems.

Quarterly financial reports and performance reports of public entities are reviewed, analysed and reported on to the Minister of Transport. These reports are considered before transfer payments are made to public entities that receive transfer payments from the Department.

a Division of Revenue Act Committee meets regularly to ensure that recipients of conditional grants comply with the requirements of the Division of Revenue Act. A compliance matrix is updated monthly for purposes of monitoring compliance with the Act, and to inform the compliance certificate that is sent to National Treasury on a monthly basis.

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Report of the Accounting Officer
for the year ended 31 March 2013

5.7 Public private partnerships (PPP)

A Transport Fleet Services Public Private Partnership was entered into during November 2006 to render vehicle fleet services to six Government departments. The contract has since been extended for a period of two years until November 2013. Services that are provided for in the contract include long-term vehicle rentals, short-term day-to-day vehicle rentals, short medium term vehicle rentals, a 24-hour Call Centre, chauffeur and point-to-point driven services, an internet based fleet management system with an electronic log book, and a fuel management system. Also refer to Note 31 in the financial statements.

The PPP contract has been extended for a period of 2 years, up until November 2013, in order to conclude the procurement of a new PPP. There are currently 12 National Government user Departments participating on the contract.

5.8 Corporate governance arrangements

The Internal Audit component is firmly established with the Chief Audit Executive responsible for the overall management of the unit.

The current Audit Committee was appointed in May 2010 for a period of three years. The Department is satisfied with the service rendered by the Audit Committee.

The Risk Management and Security Committee held three meetings, and no risk management workshops were held during the financial year.

Risk management has been incorporated into the performance management system of the Department as well as quarterly reporting to the Audit Committee. Risk mitigation measures were incorporated into the strategic plan of the Department.

An Investigations and Forensics Directorate was established since August 2008.

The Department has a fraud prevention policy, of which the high level objectives are:

- The creation of an anti-fraud culture
- The maximum deterrence/prevention of fraud and corruption
- The prompt and successful detection of fraud and corruption which could not be prevented
- The professional investigation of detected or reported fraud and corruption
- Effective remediation actions including imposition of appropriate sanctions in disciplinary proceedings, civil recouping of funds or assets siphoned from the Department as well as reporting criminal cases to the South African Police Services

The Audit Committee held three special and four regular meetings during the financial year.

5.9 Discontinued activities/activities to be discontinued

None.

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Report of the Accounting Officer
for the year ended 31 March 2013

5.10 New/proposed activities

The new activities were or will be undertaken within the Department's budget allocations. Some new activities continue to address capacity constraints in the transport sector and aim to promote the achievement of stated objectives. The operations of the Department are adapted to address the activities.

New activities undertaken during the financial year include:

- The Energy Consumption Study;
- The conversion of Public Transport vehicles to use Compressed Natural Gas (CNG)
- The technical support and verification of bus contract and road infrastructure payments in provinces was started.

New activities to be undertaken during the financial year include:

- Completion of the Road Reclassification Process.
- Development of National Road Asset Management System (RAMS).
- Development and Updating Roads Engineering Standards.
- Development of S'Hamba Sonke Model for road maintenance.
- Development of a Road Safety Audit Programme.

5.11 Asset management

All assets have been captured in the asset register. A proper fixed asset register was established during 2004/05, and an asset management unit was established within the Supply Chain Management component of the Department during that year. The Department complied with the minimum requirements of the asset management reforms since 2004/05.

5.12 Events after the reporting date

None.

5.13 Performance information

Programmes submit and present performance information for each quarter to the office of the Director-General, which consolidates the information and submits it to the Minister of Transport for review.

5.14 Scopa resolutions

Nil

5.15 Prior year audit report

Mechanisms put in place to resolve matters reported by the Auditor-General in the previous financial year are as follows:

- Material underspending of the budget: The Department could again not prevent the stopping of a grant payment to a municipality late in the financial year, which resulted in an under expenditure of R103.7 million. The Department secured additional funds on the budget from 1 April 2013 onwards to create a total of 58

DEPARTMENT OF TRANSPORT VOTE 37

Report of the Accounting Officer
for the year ended 31 March 2013

additional posts on the establishment to improve on corporate governance, oversight over public entities and conditional grant monitoring. These posts are in the process of being filled, and should result in closer monitoring of conditional grant expenditure by provinces and municipalities, to enable the stopping and re-allocation of conditional grants earlier in the year to prevent under expenditure on conditional grant allocations.

- Not all planned targets were met: Performance reports have been completed for each quarter, and were tabled at Executive Committee and Audit Committee meetings.
- Irregular expenditure: Investigations for three of the four cases for which investigations commenced in the previous financial year were completed, and disciplinary processes for these three cases are underway. New investigations were commenced on irregularities for which expenditure was not yet incurred, and legal processes have been started to dispute irregular procurements that took place. Mechanisms were in place to prevent irregular expenditure as detailed in paragraph 1.6, but under certain circumstances irregular actions by individuals cannot be prevented. The disciplinary processes that are underway should serve as a deterrent to officials to comply with laws and regulations.
- The Bid Adjudication Committee, adopted the approach that no submissions for condoning irregular expenditure will be considered unless a legal opinion has been obtained where appropriate and disciplinary steps have been considered, because the Public Finance Management Act does not leave disciplinary steps to the discretion of the Accounting Officer in such cases, but makes it mandatory.
- A progress report on the implementation of mechanisms to resolve matters reported by the Auditor-General is presented to the Audit Committee quarterly.
- Audit reports were regularly tabled for consideration by the Executive Committee. Special meetings were held to consider audit issues and this initiative will be continued to ensure that internal control weaknesses are highlighted and addressed.

5.16 Exemptions or deviations received from the National Treasury

None.

5.17 Interim Financial Statements

Interim financial statements were submitted to the National Treasury on or before the due dates one month after the end of each quarter of the financial year.

5.18 Approval

The Annual Financial Statements set out on pages 163 to 187 have been approved by the Accounting Officer.



Dr. Maria du Toit
Accounting Officer
Date: 30 May 2013

**DEPARTMENT OF TRANSPORT
VOTE 37**

Report of the Accounting Officer
for the year ended 31 March 2013

**ACCOUNTING OFFICER'S STATEMENT OF RESPONSIBILITY FOR ANNUAL
FINANCIAL STATEMENTS**

Statement of Responsibility for the Annual Financial Statements for the year ended 31 March 2013

The Accounting Authority is responsible for the preparation of the Department of Transport annual financial statements and for the judgments made in this information.

The Accounting Authority is responsible for establishing, and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the annual financial statements.

In my opinion, the financial statements fairly reflect the operations of the Department for the financial year ended 31 March 2013.

The external auditors are engaged to express an independent opinion on the AFS of the public entity.

The Department of Transport annual financial statements for the year ended 31 March 2013 have been audited by the external auditors and their report is presented on page 159 to 162.

The Annual Financial Statements of the Department of Transport set out on page 163 to page 187 have been approved.



Dr Maria du Toit
Acting Director-General
National Department of Transport

Date:

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Report of the Auditor-General to Parliament
for the year ended 31 March 2013

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON VOTE 37: DEPARTMENT OF TRANSPORT

For the year ended 31 March 2013

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Department of Transport set out on pages 163 to 187, which comprise the appropriation statement, the statement of financial position as at 31 March 2013, the statement of financial performance, statement of changes in net assets and the cash flow statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting Officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the Departmental financial reporting framework and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and Division of Revenue Act of South Africa, 2012 (Act No. 5 of 2012) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the General Notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Transport as at 31 March 2013, and its financial performance and cash flows for the year then ended in accordance with the Departmental financial reporting framework and the requirements of the PFMA and DoRA.

DEPARTMENT OF TRANSPORT VOTE 37

Report of the Auditor-General to Parliament
for the year ended 31 March 2013

Emphasis of matters

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Significant Uncertainty

8. With reference to note 12.4 to the financial statements, the department is the defendant in a lawsuit concerning the extension of a contract to manage and maintain one of its information technology systems. The ultimate outcome of the matter cannot presently be determined and no provision for any liability that may result has been made in the financial statements.
9. As disclosed in note 12.4 to the financial statements the other debtors account balance includes an amount of R704 million in Electronic National Traffic Information System (eNaTIS) transaction fees to be recovered from the Road Traffic Management Corporation (RTMC). There is currently a dispute between the department and the RTMC on the accounting treatment of the transaction fee and thus there is an uncertainty as to whether the department will recover the receivable. At the date of this report this matter was still not resolved.

Additional matters

10. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Unaudited supplementary schedules

11. The supplementary information set out on page 214 to 227 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Financial Reporting Framework

12. The financial reporting framework prescribed by the National Treasury and applied by the department is a compliance framework. The wording of my opinion on a compliance framework should reflect that the financial statements have been prepared in accordance with this framework and not that they "present fairly". Section 20(2) (a) of the PAA, however, requires me to express an opinion on the fair presentation of the financial statements. The wording of my opinion therefore reflects this requirement.

Report on other Legal and Regulatory Requirements

13. In accordance with the PAA and the General Notice issued in terms thereof, I report the following findings relevant to performance against predetermined objectives, compliance with laws and regulations and internal control, but not for the purpose of expressing an opinion.

Predetermined objectives

14. I performed procedures to obtain evidence about the usefulness and reliability of the information in the annual performance report as set out on pages 21 to 101 of the annual report.

DEPARTMENT OF TRANSPORT VOTE 37

Report of the Auditor-General to Parliament
for the year ended 31 March 2013

15. The reported performance against predetermined objectives was evaluated against the overall criteria of usefulness and reliability. The usefulness of information in the annual performance report relates to whether it is presented in accordance with the National Treasury's annual reporting principles and whether the reported performance is consistent with the planned objectives. The usefulness of information further relates to whether indicators and targets are measurable (i.e. well defined, verifiable, specific, measurable and time bound) and relevant as required by the National Treasury Framework for managing programme performance information.

The reliability of the information in respect of the selected programmes is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

16. There were no material findings on the annual performance report concerning the usefulness and reliability of the information.

Additional matter

17. Although no material findings concerning the usefulness and reliability of the performance information was identified in the annual performance report, I draw attention to the following matter below. This matter does not have an impact on the predetermined objectives audit findings reported above.

Achievement of planned targets

18. Of the total number of 288 targets planned for the year, 136 of targets were not achieved during the year under review. This represents 47% of total planned targets that were not achieved during the year under review. This was as a result of the lack of effective monitoring of the achievement of targets on a quarterly basis.

Compliance with laws and regulations

19. I performed procedures to obtain evidence that the entity has complied with applicable laws and regulations regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key applicable laws and regulations as set out in the General Notice issued in terms of the PAA are as follows:

Procurement and Contract Management

20. Goods and services of a transaction value above R500 000 were procured without inviting competitive bids as per requirements of TR 16A.6.4 and PN 8 of 2007/08.

Human resource management and compensation

Management of vacancies

21. Positions in senior management were vacant for more than 12 months and were not advertised within 6 months which is a non-compliance in terms of paragraph C.1A.2 of the Public Service Regulations, 2001 (PSR).

DEPARTMENT OF TRANSPORT VOTE 37

Report of the Auditor-General to Parliament
for the year ended 31 March 2013

Expenditure Management

22. The accounting officer did not take effective and appropriate steps to prevent irregular expenditure as disclosed in note 27 to the financial statements, as per the requirements of section 38(1) (c) (ii) of the PFMA.

Internal control

23. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. The matters reported below under the fundamentals of internal control are limited to the significant deficiencies that resulted in the basis for unqualified opinion, the findings on the annual performance report and the findings on compliance with laws and regulations included in this report.

Leadership

24. Lack of coordination and effective oversight on a major capital project that involved different tiers of government.
25. Lack of effective human resource management to ensure that adequate and sufficiently skilled resources are in place.

OTHER REPORTS

Investigations

26. Various investigations are being conducted to evaluate compliance with supply chain management practice notes and regulations in the awarding of certain tenders. The investigations aims to establish whether there were any gross irregularities in the tender process. The investigations were still ongoing at reporting date.

Auditor-General

Pretoria

1 August 2013



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

Appropriation per programme										
	2012/13					2011/12				
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
1. ADMINISTRATION										
Current payment	319,795	(2,815)	57,050	374,030	339,373	34,657	90.7%	287,104	264,683	
Transfers and subsidies	9,999	295	-	10,294	9,712	582	94.3%	9,717	9,713	
Payment for capital assets	4,055	2,520	-	6,575	6,021	554	91.6%	2,088	1,279	
Payment for financial assets	-	-	-	-	4,476	(4,476)	0.0%	-	164	
	333,849	-	57,050	390,899	359,582	31,317		298,909	275,839	
2. INTEGRATED TRANSPORT PLANNING										
Current payment	117,693	(325)	(8,398)	108,970	103,075	5,895	94.6%	131,151	93,264	
Transfers and subsidies	-	265	-	265	246	19	92.8%	125	121	
Payment for capital assets	799	60	-	859	156	703	18.2%	1,962	1,421	
Payment for financial assets	-	-	-	-	3	(3)	0.0%	-	2	
	118,492	-	(8,398)	110,094	103,480	6,614		133,238	94,808	
3. RAIL TRANSPORT										
Current payment	34,045	(130)	(3,731)	30,184	19,175	11,009	63.5%	23,521	15,196	
Transfers and subsidies	10,267,254	-	-	10,267,254	10,267,254	-	100.0%	9,516,873	9,516,873	
Payment for capital assets	65	130	-	195	125	70	64.1%	132	85	
	10,297,633	-	(3,731)	10,286,554	10,286,554	11,079		9,540,526	9,532,154	
4. ROAD TRANSPORT										
Current payment	395,513	(14,075)	-	381,438	379,787	1,651	99.6%	506,462	500,280	
Transfers and subsidies	17,834,607	14,075	-	17,848,682	17,848,675	7	100.0%	21,229,408	21,229,407	
Payment for capital assets	585	-	-	585	496	89	84.8%	558	127	
Payment for financial assets	-	-	-	-	400	(400)	0.0%	-	9	
	18,230,705	-	-	18,230,705	18,229,358	1,347		21,736,428	21,729,823	
5. CIVIL AVIATION										
Current payment	45,604	(92)	501	46,013	41,312	4,701	89.8%	48,424	41,134	
Transfers and subsidies	474,320	(449,998)	0	24,322	24,958	(636)	102.6%	23,715	23,820	
Payment for capital assets	382	450,090	0	450,472	345,518	104,954	76.7%	363	76	
	520,306	0	501	520,807	411,788	109,019		72,502	65,030	

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

	Appropriation per programme						2011/12		
	2012/13						Final appropriation	Actual expenditure	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
6. MARITIME TRANSPORT									
Current payment	121,148	(105)	(11,922)	109,121	98,009	11,112	89.8%	108,985	108,788
Transfers and subsidies	27,561	30	0	27,591	26,515	1,076	96.1%	30,917	29,972
Payment for capital assets	310	75	0	385	142	243	36.9%	321	64
	149,019	0	(11,922)	137,097	124,666	12,431		140,223	138,824
7. PUBLIC TRANSPORT									
Current payment	208,691	29,310	(13,500)	224,501	186,794	37,707	83.2%	169,552	125,710
Transfers and subsidies	9,784,643	(29,500)	(20,000)	9,735,143	9,625,567	109,576	98.9%	9,425,869	9,234,168
Payment for capital assets	159	190	0	349	348	1	99.7%	173	173
Payment for financial assets	0	0	0	0	78	(78)	0.0%	0	2
	9,993,493	0	(33,500)	9,959,993	9,812,787	147,206		9,595,594	9,360,053
TOTAL	39,647,228	0	0	39,647,228	39,328,215	319,013		41,517,420	41,196,531
Reconciliation with Statement of Financial Performance									
Add: Departmental receipts				178,330				312,500	
Actual amounts per Statement of Financial Performance (Total Revenue)				39,825,558				41,829,920	
Actual amounts per Statement of Financial Performance Expenditure					39,328,215				41,196,531

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

	Appropriation per Economic classification							2011/12	
	2012/13							Final appropriation	Actual expenditure
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	319,259	(17,750)	(12,250)	289,259	287,765	1,494	99.5%	280,206	274,462
Goods and services	923,230	29,518	32,250	984,998	879,760	105,238	89.3%	994,993	874,593
Transfers & subsidies									
Provinces & municipalities	17,324,512	-	-	17,324,512	17,220,810	103,702	99.4%	15,694,672	15,502,972
Departmental agencies & accounts	10,346,405	(436,000)	-	9,910,405	9,910,198	207	100.0%	14,578,258	14,578,258
Universities & technikons	9,648	-	-	9,648	9,406	242	97.5%	9,189	9,189
Foreign governments & international organisations	9,132	-	-	9,132	8,693	439	95.2%	8,845	8,054
Public corporations & private enterprises	10,227,905	-	-	10,227,905	10,227,905	-	100.0%	9,474,098	9,474,098
Non-profit institutions	17,827	-	-	17,827	17,827	-	100.0%	22,478	22,431
Households	462,955	(28,858)	(20,000)	414,097	408,064	6,033	98.5%	449,084	449,072
Gifts and donations	-	25	-	25	24	1	96.0%	-	-
Payment for capital assets									
Buildings & other fixed structures	-	450,000	-	450,000	345,237	104,763	76.7%	-	-
Machinery & equipment	6,355	3,065	-	9,420	7,569	1,851	80.4%	5,597	3,225
Payment for financial assets									
	-	-	-	-	4,957	(4,957)	0.0%	-	177
Total	39,647,228	-	-	39,647,228	39,328,215	319,013	99.2%	41,517,420	41,196,531

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

Details per sub-programme	2012/13							2011/12	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 MINISTRY									
Current payment	31,534	1,980	3,600	37,114	37,023	91	99.8%	41,003	40,974
Transfers and subsidies		170		170	166	4	97.6%	9	9
Payment for capital assets	2,338	2,000		4,338	4,198	140	96.8%	452	448
Payment for financial assets				-	88	(88)	0.0%	-	30
1.2 MANAGEMENT									
Current payment	71,523	8,040	21,100	100,663	91,246	9,417	90.6%	65,194	65,142
Transfers and subsidies		110		110	105	5	95.5%	40	39
Payment for capital assets	506			506	254	252	50.2%	425	381
Payment for financial assets				-	3	(3)	0.0%		
1.3 CORPORATE SERVICES									
Current payment	144,019	(320)	10,350	154,049	139,129	14,920	90.3%	124,141	110,060
Transfers and subsidies	9,999			9,999	9,427	572	94.3%	9,618	9,616
Payment for capital assets	956	520		1,476	1,467	9	99.4%	968	367
Payment for financial assets				-	84	(84)	0.0%		127
1.4 COMMUNICATIONS									
Current payment	27,959	(3,315)	22,000	46,644	42,471	4,173	91.1%	23,808	23,799
Transfers and subsidies		15		15	14	1	93.3%	50	49
Payment for capital assets	255			255	102	153	40.0%	243	83
Payment for financial assets				-	4,301	(4,301)	0.0%	-	7
1.5 OFFICE ACCOMMODATION									
Current payment	44,760	(9,200)		35,560	29,504	6,056	83.0%	32,958	24,708
Total	333,849	-	57,050	390,899	359,582	31,317	92.0%	298,909	275,839

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

Programme 1 Per Economic classification For the year ended 31 March 2013									
2012/13									
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	145,265	(8,750)		136,515	136,307	208	99.8%	129,312	129,273
Goods and services	174,530	5,935	57,050	237,515	203,066	34,449	85.5%	157,792	135,410
Transfers & subsidies									
Departmental agencies & accounts	207			207		207	0.0%	197	197
Universities & technikons	9,648			9,648	9,406	242	97.5%	9,189	9,189
Households	144	272		416	283	133	68.0%	331	327
Gifts and donations		23		23		-	100.0%		
Payment for capital assets									
Machinery & equipment	4,055	2,520		6,575	6,021	554	91.6%	2,088	1,279
Payment for financial assets									
					4,476	(4,476)	0.0%		164
Total	333,849	-	57,050	390,899	359,582	31,317	92.0%	298,909	275,839

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

Details per sub-programme	Detail per programme 2 - INTEGRATED TRANSPORT PLANNING For the year ended 31 March 2013									
	2012/13					2011/12				
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
2.1 MACRO SECTOR PLANNING										
Current payment	16,863	(4,165)	(4,648)	8,050	4,651		62,681	27,747		
Transfers and subsidies		25		25	22	57.8%	11	11		
Payment for capital assets	595			595	33	88.0%	567	101		
2.2 LOGISTICS										
Current payment	20,959	(3,750)		17,209	17,136	99.6%	20,264	17,461		
Transfers and subsidies				-		0.0%	14	14		
Payment for capital assets	64			64	27	42.2%	62	62		
2.3 MODELING & ECONOMIC ANALYSIS										
Current payment	59,844	4,560	(3,750)	60,654	59,950	98.8%	29,064	28,974		
Transfers and subsidies		140		140	135	96.4%	90	86		
Payment for capital assets	119			119	22	18.5%	113	56		
Payment for financial assets				-	1	0.0%				
2.4 REGIONAL INTEGRATION										
Current payment	7,619	(3,450)		4,169	4,100	98.3%	7,016	7,012		
Payment for capital assets	21	25		46	42	91.3%	1,132	1,117		
Payment for financial assets				-		0.0%		2		
2.5 RESEARCH AND INNOVATION										
Current payment	8,013	1,300		9,313	7,857	84.4%	4,580	4,565		
Transfers and subsidies		100		100	89	89.0%	10	10		
Payment for capital assets				-		0.0%	8	8		
2.6 INTEGRATED TRANSPORT PLANNING ADMIN SUPPORT										
Current payment	4,395	5,180		9,575	9,381	98.0%	7,546	7,505		
Transfers and subsidies				-		0.0%				
Payment for capital assets		35		35	32	91.4%	80	77		
Payment for financial assets				-	2	0.0%				
Total	118,492	-	(8,398)	110,094	103,480	6,614	94.0%	133,238	94,808	

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

		Programme 2 Per Economic classification							
		2012/13				2011/12			
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	32,479		(1,750)	30,729	30,403	326	98.9%	50,932	50,141
Goods and services	85,214	(325)	(6,648)	78,241	72,672	5,569	92.9%	80,219	43,123
Transfers & subsidies									
Households		265		265	246	19	92.8%	125	121
Payment for capital assets									
Machinery & equipment	799	60		859	156	703	18.2%	1,962	1,421
Payment for financial assets									
					3	(3)	0.0%		2
Total	118,492	-	(8,398)	110,094	103,480	6,614	94.0%	133,238	94,808

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

Details per subprogramme	2012/13							2011/12	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 RAIL REGULATION									
Current payment	16,158	(3,784)	(3,731)	8,643	8,160	483	94.4%	9,918	6,446
Transfers and subsidies				-		-	0.0%		
Payment for capital assets	5	55		60	57	3	95.0%	34	33
3.2 RAIL INFRASTRUCTURE & INDUSTRY DEVELOPMENT									
Current payment	6,779	5,079		11,858	3,905	7,953	32.9%	4,819	2,103
Payment for capital assets	60			60		60	0.0%	57	12
3.3 RAIL OPERATIONS									
Current payment	6,535	60		6,595	5,059	1,536	76.7%	4,044	3,921
Payment for capital assets		40		40	36	4	90.0%		
3.4 RAIL OVERSIGHT									
Transfers and subsidies	10,267,254			10,267,254	10,267,254	-	100.0%	9,516,873	9,516,873
3.5 RAIL ADMINISTRATION SUPPORT									
Current payment	4,573	(1,485)		3,088	2,051	1,037	66.4%	4,740	2,726
Payment for capital assets		35		35	32	3	91.4%	41	40
Total	10,297,633	-	(3,731)	10,286,554	10,286,554	11,079	99.9%	9,540,526	9,532,154

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

	Programme 3 Per Economic classification							2011/12	
	2012/13							Final appropriation	Actual expenditure
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	16,429		(3,731)	12,698	12,677	21	99.8%	9,044	8,388
Goods and services	17,616	(130)		17,486	6,498	10,988	37.2%	14,477	6,808
Transfers & subsidies									
Provinces & municipalities				-		-	0.0%	5,300	5,300
Departmental agencies & accounts	39,349			39,349	39,349	-	100.0%	37,475	37,475
Public corporations & private enterprises	10,227,905			10,227,905	10,227,905	-	100.0%	9,474,098	9,474,098
Payment for capital assets									
Machinery & equipment	65	130		195	125	70	64.1%	132	85
Total	10,301,364	-	(3,731)	10,297,633	10,286,554	11,079	99.9%	9,540,526	9,532,154

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

Details per subprogramme	2012/13										2011/12	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure			
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	R'000	
4.1 ROAD REGULATION												
Current payment	335,077	(7,185)		327,892	327,095	797	99.8%	459,327	458,880			
Transfers and subsidies		45		45	42	3	93.3%	14	14			
Payment for capital assets				-	-	-	0.0%	181	54			
Payment for financial assets				-	400	(400)	0.0%		9			
4.2 ROAD INFRASTRUCTURE & INDUSTRY DEVELOPMENT												
Current payment	42,688	(4,760)		37,928	37,780	148	99.6%	41,761	37,669			
Transfers and subsidies				-	-	-	0.0%	56	55			
Payment for capital assets				-	-	-	0.0%	324	53			
4.3 ROAD OVERSIGHT												
Current payment	1,326	(1,326)		-	-	-	0.0%					
Transfers and subsidies	17,834,607	14,000		17,848,607	17,848,607	-	100.0%	21,229,338	21,229,338			
4.4 ROAD ADMINISTRATION SUPPORT												
Current payment	7,274	(74)		7,200	6,624	576	92.0%	5,374	3,731			
Payment for capital assets	585			585	496	89	84.8%	53	20			
4.5 ROAD ENGINEERING STANDARDS												
Current payment	9,148	(730)		8,418	8,288	130	98.5%					
Transfers and subsidies		30		30	26	4	86.7%					
Total	18,230,705	-	-	18,230,705	18,229,358	1,347	100.0%	21,736,428	21,729,823			

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

	Programme 4 Per Economic classification								
	2012/13				2011/12				
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	43,215	(9,000)		34,215	33,730	485	98.6%	32,577	28,503
Goods and services	352,298	(5,075)		347,223	346,057	1,166	99.7%	473,885	471,777
Transfers & subsidies									
Provinces & municipalities	8,019,140			8,019,140	8,019,140	-	100.0%	6,732,793	6,732,793
Departmental agencies & accounts	9,815,467	14,000		9,829,467	9,829,467	-	100.0%	14,496,545	14,496,545
Households		75		75	68	7	90.7%	70	69
Payment for capital assets									
Machinery & equipment	585			585	496	89	84.8%	558	127
Payment for financial assets									
Total	18,230,705	-	-	18,230,705	18,229,358	1,347	100.0%	21,736,428	21,729,823

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

Details per subprogramme	2012/13							2011/12	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 AVIATION REGULATION									
Current payment	21,239	1,901		23,140	22,137	1,003	95.7%	24,752	23,179
Transfers and subsidies				-		-	0.0%	290	288
Payment for capital assets	200			200	136	64	68.0%	190	58
5.2 AVIATION INFRASTRUCTURE & INDUSTRY DEVELOPMENT									
Current payment	6,467	(620)		5,847	5,428	419	92.8%	4,537	4,165
Transfers and subsidies				-		-	0.0%	13	13
Payment for capital assets	59			59	30	29	50.8%	56	8
5.3 AVIATION SAFETY & SECURITY									
Current payment	12,394	(1,233)	501	11,662	9,085	2,577	77.9%	8,560	5,379
Transfers and subsidies		2		2	1	1	50.0%	100	100
Payment for capital assets		90		90	90	-	100.0%		
5.4 AVIATION OVERSIGHT									
Transfers and subsidies	474,320	(450,000)		24,320	24,957	(637)	102.6%	23,312	23,419
5.5 AVIATION ADMINISTRATION SUPPORT									
Current payment	5,504	(140)		5,364	4,662	702	86.9%	10,575	8,411
Payment for capital assets	123			123	25	98	20.3%	117	10
5.6 MTHATHA AIRPORT									
Payment for capital assets		450,000		450,000	345,237	104,763	76.7%		
Total	520,306	-	501	520,807	411,788	109,019	79.1%	72,502	65,030

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

	Programme 5 Per Economic classification									
	2012/13					2011/12				
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Current payments										
Compensation of employees	28,713		501	29,214	29,202	100.0%	29,614	29,601		
Goods and services	16,891	(92)		16,799	12,110	72.1%	18,810	11,533		
Transfers & subsidies										
Departmental agencies & accounts	467,025	(450,000)		17,025	17,025	100.0%	16,216	16,216		
Foreign governments & international organisations	7,295			7,295	7,932	108.7%	7,096	7,203		
Households				-	-	0.0%	403	401		
Gifts and donations		2		2	1	50.0%				
Payment for capital assets										
Buildings & other fixed structures		450,000		450,000	345,237	76.7%	104,763			
Machinery & equipment	382	90		472	281	59.5%	363	76		
Total	520,306	-	501	520,807	411,788	79.1%	72,502	65,030		
					109,019					

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

Details per sub-programme	Detail per programme 6 - MARITIME TRANSPORT For the year ended 31 March 2013									
	2012/13					2011/12				
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
6.1 MARITIME POLICY DEVELOPMENT										
Current payment	16,174	(70)		16,104	7,161	8,943	44.5%	10,461	10,434	
Transfers and subsidies				-		-	0.0%	11	10	
Payment for capital assets	128			128	32	96	25.0%	122	19	
6.2 MARITIME INFRASTRUCTURE & INDUSTRY DEVELOPMENT										
Current payment	6,168	1,194	(2,270)	5,092	5,013	79	98.4%	74,631	74,579	
Transfers and subsidies		30		30	30	-	100.0%			
Payment for capital assets		15		15	14	1	93.3%	56	19	
6.3 IMPLEMENTATION, MONITORING AND EVALUATION										
Current payment	95,322	(65)	(9,652)	85,605	83,528	2,077	97.6%	23,624	23,582	
Transfers and subsidies				-		-	0.0%	30	30	
Payment for capital assets		60		60	59	1	98.3%	26	26	
6.4 MARITIME OVERSIGHT										
Transfers and subsidies	27,561			27,561	26,485	1,076	96.1%	30,876	29,932	
6.5 MARITIME ADMIN SUPPORT										
Current payment	3,484	(1,164)		2,320	2,307	13	99.4%	269	193	
Payment for capital assets	182			182	37	145	20.3%	117		
Total	149,019	-	(11,922)	137,097	124,666	12,431	90.9%	140,223	138,824	

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

	Programme 6 Per Economic classification							2011/12	
	2012/13							Final appropriation	Actual expenditure
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	17,511		(4,270)	13,241	13,233	8	99.9%	8,801	8,642
Goods and services	103,637	(105)	(7,652)	95,880	84,776	11,104	88.4%	100,184	100,146
Transfers & subsidies									
Departmental agencies & accounts	24,357			24,357	24,357	-	100.0%	27,825	27,825
Foreign governments & international organisations	1,837			1,837	761	1,076	41.4%	1,749	851
Non-profit institutions	1,367			1,367	1,367	-	100.0%	1,302	1,255
Households		30		30	30	-	100.0%	41	41
Payment for capital assets									
Machinery & equipment	310			385	142	243	36.9%	321	64
Total	149,019	-	(11,922)	137,097	124,666	12,431	90.9%	140,223	138,824

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

Details per sub-programme	2012/13							2011/12	
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
7.1 PUBLIC TRANSPORT REGULATION									
Current payment	22,384	15,710	(3,000)	35,094	12,928	22,166	36.8%	18,844	14,023
Payment for financial assets				-	61	(61)	0.0%		2
7.2 RURAL, SCHOLAR AND NON-MOTORISED TRANSPORT									
Current payment	11,030	(2,350)	(1,400)	7,280	4,011	3,269	55.1%		
7.3 PUBLIC TRANSPORT INFRASTRUCTURE & INDUSTRY DEVELOPMENT									
Current payment	119,188	(8,080)		111,108	104,905	6,203	94.4%	139,664	101,677
7.4 PUBLIC TRANSPORT OVERSIGHT									
Current payment	1,224	(1,100)		124		124	0.0%	315	312
Transfers and subsidies	9,784,643	(29,500)	(20,000)	9,735,143	9,625,567	109,576	98.9%	9,425,869	9,234,168
7.5 PUBLIC TRANSPORT ADMIN SUPPORT									
Current payment	47,690	20,430	(9,100)	59,020	58,984	36	99.9%	10,729	9,698
Payment for capital assets	159	190		349	348	1	99.7%	173	173
Payment for financial assets				-	17	(17)	0.0%		
7.6 PUBLIC TRANSPORT NETWORK DEVELOPMENT									
Current payment	7,175	4,700		11,875	5,966	5,909	50.2%		
Total	9,993,493	-	(33,500)	9,959,993	9,812,787	147,206	98.5%	9,595,594	9,360,053

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

	Programme 7 Per Economic classification								
	2012/13				2011/12				
	Adjusted appropriation	Shifting of funds	Virement	Final appropriation	Actual expenditure	Variance	Expenditure as % of final appropriation	Final appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	35,647		(3,000)	32,647	32,213	434	98.7%	19,926	19,914
Goods and services	173,044	29,310	(10,500)	191,854	154,581	37,273	80.6%	149,626	105,796
Transfers & subsidies									
Provinces & municipalities	9,305,372			9,305,372	9,201,670	103,702	98.9%	8,956,579	8,764,879
Non-profit institutions	16,460			16,460	16,460	-	100.0%	21,176	21,176
Households	462,811	(29,500)	(20,000)	413,311	407,437	5,874	98.6%	448,114	448,113
Payment for capital assets									
Machinery & equipment	159	190		349	348	1	99.7%	173	173
Payment for financial assets									
				-	78	(78)	0.0%		2
Total	9,993,493	-	(33,500)	9,959,993	9,812,787	147,206	98.5%	9,595,594	9,360,053

DEPARTMENT OF TRANSPORT VOTE 37

APPROPRIATION STATEMENT
for the year ended 31 March 2013

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note to Payments for financial assets to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per programme:

	Final appropriation	Actual expenditure	Variance	Variance as a % Of final approp.
	R'000	R'000	R'000	%

Administration	390,899	359,582	31,317	8%
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Invoices were not yet received from suppliers for the development of a Monitoring and Evaluation Tool (R235,000), for operational plans done for the Africa Cup of Nations tournament (R3 million), and for the Department's contribution towards the upgrade of premises (R6 million).

Funds were committed but remained unspent for the supply and installation of a PABX system (R5.7 million), supply and installation of microphones in Board Rooms (R468,000), supply and installation of door numbers and names (R615,000), the development of a policy for the Road Accident Benefit Scheme (R6.1 million), and the appointment of transaction advisors for new premises (R3.6 million) and a public private partnership for a new fleet management services contract (R4.8 million).

Transfers to Universities and Technikons was underspent by R242,218, because one university discontinued its programme. This amount, if a rollover is approved, will be paid to another university.

All of the above was requested to be rolled over to the next financial year.

The programme saved R554,000 on the procurement of furniture and equipment because posts could not be filled.

Integrated Transport Planning	110,094	103,480	6,614	6%
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Underspent on the development of a Transport Sector Economic Regulator (R686,000), consolidating the National Transport Databank (R2 million), completing a study on the Macro Economic Impact of Transport (R628,000), developing a Macro Planning Framework (R0.7 million), developing a Transport Greenhouse Gas Inventory (R1 million), developing an Energy Consumption Framework (R0.5 million). Underspent R326,000 because posts could not be filled, and saved R703,000 on the procurement of furniture and equipment because posts could not be filled. The programme requested a rollover of R1.5 million to develop a Transport Rural Accessibility/Multi Deprivation Index for South Africa.

Rail Transport	10,297,633	10,286,554	11,079	0.1%
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The programme underspent R8 million on a feasibility study for the Moloto Corridor, which was committed and requested as a rollover. It also underspent R1.5 million set aside to develop a Service Level Agreement with the Passenger Rail Agency of South Africa to facilitate an institutional reform for rail, and saved R638,000 on the development of a Rail Policy and Act, which will continue over the medium term. The programme saved R70,000 on the procurement of furniture and equipment because posts could not be filled, and saved R849,000 on operational expenditure.

DEPARTMENT OF TRANSPORT VOTE 37

APPROPRIATION STATEMENT for the year ended 31 March 2013

Final appropriation	Actual expenditure	Variance	Variance as a % Of final approp.
R'000	R'000	R'000	%

Road Transport	18,230,705	18,229,358	1,347	0%
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Road Transport underspent R485,000 because posts could not be filled, and saved R89,000 on the procurement of furniture and equipment because posts could not be filled. R765,000 was saved on investigations on issuing of fraudulent roadworthy certificates. An amount of R2.6 million was requested to be rolled over for investigations on the issuing of fraudulent roadworthy certificates.

Civil Aviation	520,807	411,788	109,019	9%
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An amount of R104.8 million was underspent on the upgrade of the Mthatha Airport Runway, because the timing of expenditure was miscalculated on the Adjusted Budget allocations. The programme also underspent on funding the Regulating Committee for determining tariffs for the Airports Company Ltd. and the Air Traffic and Navigation Services Company Ltd. (R2.9 million), the establishment of an Aviation Safety Investigation Board (R2.15 million), and the establishment of an Appeals Committee (R1.325 million). These amounts were requested to be rolled over to the next financial year.

Maritime Transport	137,097	124,666	12,431	9%
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Saved R9.5 million on additional funds allocated to remove the Seli 1 shipwreck from the Bloubergstrand beach because the Navy undertook to remove the wreck, underspent R1.5 million on the development of a ship clearance system and saved R1.1 million on foreign memberships due to over budgeting for these items. Saved R243,000 on the procurement of furniture and equipment because posts could not be filled.

Public Transport	9,959,993	9,812,787	147,206	1%
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Underspent the Public Transport Infrastructure and Systems Grant by R103.7 million because the amount was stopped for the City of Johannesburg due to consistent under expenditure. Underspent R5.874 million because less taxis were scrapped than anticipated.

Funds were committed but remained unspent for developing a National Public Transport Regulator (R7 million), implementing the Taxi Recapitalisation 2020 Strategy (R6 million), the oversight of Integrated Rapid Public Transport Networks (R5 million), and the development of National Land Transport Information Systems (R15 million). These funds were requested as rollovers to the next financial year.

The programme underspent on the development of a Scholar Transport Framework (R1.5 million), a Migration Plan for Scholar Transport (R1.5 million), and implementing the "Shova Kaluala" (bicycle transport) programme in provinces (R1.689 million).

DEPARTMENT OF TRANSPORT VOTE 37

APPROPRIATION STATEMENT
for the year ended 31 March 2013

	Final appropriation	Actual expenditure	Variance	Variance as a % Of final approp.
	R'000	R'000	R'000	%
4.2 Per economic classification:				
Current expenditure				
Compensation of employees	289,259	287,765	1,494	1%
Goods and services	1,089,761	879,760	210,001	19%
Transfers and subsidies				
Provinces and municipalities	17,324,512	17,220,810	103,702	1%
Departmental agencies and accounts	9,910,405	9,910,198	207	0%
Universities and technikons	9,648	9,406	242	3%
Public corporations and private enterprises	10,227,905	10,227,905	0	0%
Foreign governments and international organisations	9,132	8,693	439	5%
Non-profit institutions	17,827	17,827	0	0%
Households	414,097	408,064	6,618	2%
Gifts and donations	25	24	1	4%
Payments for capital assets				
Buildings and fixed structures	345,237	345,237	0	0%
Machinery and equipment	9,420	7,569	1,266	14%
Payments for financial assets	0	4,957	(4,957)	N/a

Explanations of material variances from Amounts Voted (after virement):

Compensation of Employees and Machinery and Equipment:

The Department underspent on compensation of employees (R1.5 million) and machinery and equipment (R1.3 million) due to posts that could not be filled.

Goods and Services:

Administration:

Invoices were not yet received from suppliers for the development of a Monitoring and Evaluation Tool (R235,000), for operational plans done for the Africa Cup of Nations tournament (R3 million), and for the Department's contribution towards the upgrade of premises (R6 million).

Funds were committed but remained unspent for the supply and installation of a PABX system (R5.7 million), supply and installation of microphones in Board Rooms (R468,000), supply and installation of door numbers and names (R615,000), the development of a policy for the Road Accident Benefit Scheme (R6.1 million), and the appointment of transaction advisors for new premises (R3.6 million) and a public private partnership for a new fleet management services contract (R4.8 million).

Integrated Transport Planning:

Underspent on the development of a Transport Sector Economic Regulator (R686,000), consolidating the National Transport Databank (R2 million), completing a study on the Macro Economic Impact of Transport (R628,000), developing a Macro Planning Framework (R0.7 million), developing a Transport Greenhouse Gas Inventory (R1 million), developing an Energy Consumption Framework (R0.5 million).

Rail Transport:

The programme underspent R8 million on a feasibility study for the Moloto Corridor, which was committed and requested as a rollover. It also underspent R1.5 million set aside to develop a Service Level Agreement with the Passenger Rail Agency of South Africa to facilitate an institutional reform for rail, and saved R638,000 on the development of a Rail Policy and Act, which will continue over the medium term. The programme saved R849,000 on operational expenditure

Road Transport:

R765,000 was saved on investigations on issuing of fraudulent roadworthy certifficates.

**DEPARTMENT OF TRANSPORT
VOTE 37**

APPROPRIATION STATEMENT
for the year ended 31 March 2013

<p>Civil Aviation: The programme underspent on funding the Regulating Committee for determining tariffs for the Airports Company Ltd. and the Air Traffic and Navigation Services Company Ltd. (R2.9 million), the establishment of an Aviation Safety Investigation Board (R2.15 million), and the establishment of an Appeals Committee (R1.325 million).</p>
<p>Maritime Transport: Saved R9.5 million on additional funds allocated to remove the Seli 1 shipwreck from the Bloubergstrand beach because the Navy undertook to remove the wreck, and underspent R1.5 million on the development of a ship clearance system.</p>
<p>Public Transport: Funds were committed but remained unspent for developing a National Public Transport Regulator (R7 million), implementing the Taxi Recapitalisation 2020 Strategy (R6 million), the oversight of Integrated Rapid Public Transport Networks (R5 million), and the development of National Land Transport Information Systems (R15 million). These funds were requested as rollovers to the next financial year.</p> <p>The programme underspent on the development of a Scholar Transport Framework (R1.5 million), a Migration Plan for Scholar Transport (R1.5 million), and implementing the "Shova Kaluala" (bicycle transport) programme in provinces (R1.689 million).</p>
<p>Transfers and subsidies: Provinces and municipalities: For the Public Transport Infrastructure and Systems Grant, an amount of R103.7 million was stopped for the City of Johannesburg due to consistent under expenditure.</p>
<p>Departmental agencies and accounts: Underspent R207,000 because the Transport Sector Education Authority was not paid.</p>
<p>Universities and technikons: Underspent by R242,218, because one university discontinued its programme.</p>
<p>Foreign governments and international organisations: An amount of R439,000 was saved because the item was over budgeted for.</p>
<p>Payments for capital assets: An amount of R104.8 million was underspent on the upgrade of the Mthatha Airport Runway, because the timing of expenditure was miscalculated on the Adjusted Budget allocations.</p>
<p>Payments for financial assets: The Department incurred losses of R4.957 million, mainly due to a settlement agreement of R4.3 million in a legal dispute.</p>

	Final appropriation	Actual expenditure	Variance	Variance as a % Of final approp.
	R'000	R'000	R'000	%
4.3 Per conditional grant				
Transport				
Pub Trnsp Infrst&Sys Grn	4,988,103,000	4,884,401,000	103,702,000	2%
Prov Roads Maint Grant	7,981,355,088	7,981,355,088	0	0%
Rurl Road Asset Man Grnt	37,295,000	37,295,000	0	0%
Public Transprt Operations Grant	4,317,269,000	4,317,269,000	0	0%
Transprt Disaster Mngmnt Grant	489,912	489,912	0	0%

For the Public Transport Infrastructure and Systems Grant, an amount of R103,7 million was stopped for the City of Johannesburg due to consistent under expenditure.

**DEPARTMENT OF TRANSPORT
VOTE 37**

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2013

		2012/13	2011/12
	Note	R'000	R'000
REVENUE			
Annual appropriation	1	39,647,228	41,517,420
Departmental revenue	2	178,330	312,500
TOTAL REVENUE		39,825,558	41,829,920
EXPENDITURE			
Current expenditure			
Compensation of employees	3	287,765	274,462
Goods and services	4	879,760	874,593
Total current expenditure		1,167,525	1,149,055
Transfers and subsidies			
Transfers and subsidies	6	37,802,927	40,044,074
Total transfers and subsidies		37,802,927	40,044,074
Expenditure for capital assets			
Tangible capital assets	7	352,806	2,925
Software and other intangible assets	7	-	300
Total expenditure for capital assets		352,806	3,225
Payments for financial assets	5	4,957	177
TOTAL EXPENDITURE		39,328,215	41,196,531
SURPLUS / (DEFICIT) FOR THE YEAR		497,343	633,389
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		319,013	320,889
Departmental revenue and NRF Receipts	15	178,330	312,500
SURPLUS/(DEFICIT) FOR THE YEAR		497,343	633,389

**DEPARTMENT OF TRANSPORT
VOTE 37**

STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2013

	Note	2012/13 R'000	2011/12 R'000
ASSETS			
Current Assets		2,264,250	2,033,882
Unauthorised expenditure	8	1,207,374	1,207,374
Fruitless and wasteful expenditure	9	470	-
Cash and cash equivalents	10	50,291	35
Prepayments and advances	11	27,007	9,747
Receivables	12	979,108	816,726
Non-Current Assets		6,089,441	6,089,441
Investments	13	6,089,441	6,089,441
TOTAL ASSETS		8,353,691	8,123,323
LIABILITIES			
Current Liabilities		2,264,012	2,033,558
Voted funds to be surrendered to the Revenue Fund	14	319,013	320,889
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	15	73	71
Bank overdraft	16	1,695,970	1,488,832
Payables	17	248,956	223,766
Non-Current Liabilities			
Payables	18	29	58
TOTAL LIABILITIES		2,264,041	2,033,616
NET ASSETS		6,089,650	6,089,707
Represented by:			
Capitalisation reserve		6,089,441	6,089,441
Recoverable revenue		209	266
TOTAL		6,089,650	6,089,707

**DEPARTMENT OF TRANSPORT
VOTE 37**

STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2013

NET ASSETS		2012/13	2011/12
	Note	R'000	R'000
Capitalisation reserves			
Opening balance		6,089,441	6,089,441
Closing balance		6,089,441	6,089,441
Recoverable revenue			
Opening balance		266	287
Transfers		(57)	(21)
Debts revised		(3)	(5)
Debts recovered (included in departmental receipts)		(135)	(137)
Debts raised		81	121
Closing balance		209	266
TOTAL		6,089,650	6,089,707

**DEPARTMENT OF TRANSPORT
VOTE 37**

CASH FLOW STATEMENT
for the year ended 31 March 2013

		2012/13	2011/12
	Note	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		39,825,558	41,829,920
Annual appropriated funds received	1	39,647,228	41,517,420
Departmental revenue received	2	178,330	312,500
Net (increase)/ decrease in working capital		(154,922)	185,240
Surrendered to Revenue Fund		(499,217)	(534,156)
Current payments		(1,167,525)	(1,149,055)
Payments for financial assets		(4,957)	(177)
Transfers and subsidies paid		(37,802,927)	(40,044,074)
Net cash flow available from operating activities	19	196,010	287,698
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(352,806)	(3,225)
Net cash flows from investing activities		(352,806)	(3,225)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		(57)	(21)
Increase/ (decrease) in non-current payables		(29)	(33)
Net cash flows from financing activities		(86)	(54)
Net increase/ (decrease) in cash and cash equivalents		(156,882)	284,419
Cash and cash equivalents at beginning of period		(1,488,797)	(1,773,216)
Cash and cash equivalents at end of period	20	(1,645,679)	(1,488,797)

DEPARTMENT OF TRANSPORT VOTE 37

ACCOUNTING POLICIES
for the year ended 31 March 2013

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 1 of 2010.

I. Presentation of the Financial Statements

1.1 Basis of preparation

The financial statements have been prepared on a modified cash basis of accounting.

Under this basis, the effects of transactions and other events are recognised in the financial records when the resulting cash is received or paid. The “modification” results from the recognition of certain near-cash balances in the financial statements as well as the revaluation of foreign investments and loans and the recognition of resulting revaluation gains and losses.

In addition supplementary information is provided in the disclosure notes to the financial statements where it is deemed to be useful to the users of the financial statements.

1.2 Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the Department.

1.3 Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

1.4 Comparative figures

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

1.5 Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

2. Revenue

2.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

DEPARTMENT OF TRANSPORT VOTE 37

ACCOUNTING POLICIES

for the year ended 31 March 2013

Unexpended appropriated funds are surrendered to the National/Provincial Revenue Fund. Any amounts owing to the National/Provincial Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

Any amount due from the National/Provincial Revenue Fund at the end of the financial year is recognised as a receivable in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Fund at the end of the financial year is recognised as a payable in the statement of financial position.

No accrual is made for amounts receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure notes to the annual financial statements.

Direct Exchequer receipts

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and is subsequently paid into the National/Provincial Revenue Fund, unless stated otherwise.

Any amount owing to the National/Provincial Revenue Funds at the end of the financial year is recognised as a payable in the statement of financial position.

2.3 Direct Exchequer payments

All direct exchequer payments are recognised in the statement of financial performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

2.4 Aid assistance

Aids assistance is recognised as revenue when received

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexures to the Annual Financial Statements

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year)

2.5 The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the

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year relating to CARA earmarked projects are recognised as expenditure in the statement of financial performance when final authorisation for payments effected on the system (by no later than 31 March of each year)

Inappropriately expensed amounts using CARA funds are recognised as payables in the statement of financial position. Any unutilised amounts are transferred to retained funds as they are not surrendered to the revenue fund.

3. Expenditure

3.1 Compensation of employees

3.1.2 Salaries and wages

Salaries and wages are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Other employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements at its face value and are not recognised in the statement of financial performance or position.

Employee costs are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time on the project. These payments form part of expenditure for capital assets in the statement of financial performance.

3.1.2 Social contributions

Employer contributions to post employment benefit plans in respect of current employees are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

No provision is made for retirement benefits in the financial statements of the Department. Any potential liabilities are disclosed in the financial statements of the National Revenue Fund and not in the financial statements of the employer department.

Employer contributions made by the Department for certain of its ex-employees (such as medical benefits) are classified as transfers to households in the statement of financial performance.

3.2 Goods and services

Payments made during the year for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

Rental paid for the use of buildings or other fixed structures is classified as goods and services and not as rent on land.

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental

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for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.4 Payments for financial assets

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements.

All other losses are recognised when authorisation has been granted for the recognition thereof.

3.5 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.6 Unauthorised expenditure

When confirmed unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date stipulated in the Act.

3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the statement of financial performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

3.8 Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

4. Assets

4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

Bank overdrafts are shown separately on the face of the statement of financial position.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

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4.2 Other financial assets

Other financial assets are carried in the statement of financial position at cost.

4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made and are derecognised as and when the goods/services are received or the funds are utilised.

Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

4.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party (including departmental employees) and are derecognised upon recovery or write-off.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentially irrecoverable are included in the disclosure notes.

4.5 Investments

Capitalised investments are shown at cost in the statement of financial position.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the disclosure notes.

4.6 Loans

Loans are recognised in the statement of financial position when the cash is paid to the beneficiary. Loans that are outstanding at year-end are carried in the statement of financial position at cost plus accrued interest.

Amounts that are potentially irrecoverable are included in the disclosure notes.

4.7 Inventory

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the weighted average cost or FIFO cost formula.

4.8 Capital assets

4.8.1 Movable assets

Initial recognition

A capital asset is recorded in the asset register on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

All assets acquired prior to 1 April 2002 are included in the register R1.

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Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as “expenditure for capital assets” and is capitalised in the asset register of the Department on completion of the project.

Repairs and maintenance is expensed as current “goods and services” in the statement of financial performance.

4.8.1 Immovable assets

Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

Subsequent recognition

Work-in-progress of a capital nature is recorded in the statement of financial performance as “expenditure for capital assets”. On completion, the total cost of the project is included in the asset register of the Department that is accountable for the asset.

Repairs and maintenance is expensed as current “goods and services” in the statement of financial performance.

4.8.1 Intangible assets

Initial recognition

An intangible asset is recorded in the asset register on receipt of the item at cost. Cost of an intangible asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the intangible asset is stated at fair value. Where fair value cannot be determined, the intangible asset is included in the asset register at R1.

All intangible assets acquired prior to 1 April 2002 can be included in the asset register at R1.*

Subsequent expenditure

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as “expenditure for capital asset” and is capitalised in the asset register of the Department.

Maintenance is expensed as current “goods and services” in the statement of financial performance.

Liabilities

4.9 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

4.10 Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the Department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

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4.11 Contingent assets

Contingent assets are included in the disclosure notes to the financial statements when it is probable that an inflow of economic benefits will flow to the entity.

4.12 Commitments

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

4.13 Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

4.14 Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the statement of financial performance or the statement of financial position.

4.15 Lease commitments

Finance lease

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as a capital expense in the statement of financial performance and are not apportioned between the capital and the interest portions. The total finance lease payment is disclosed in the disclosure notes to the financial statements.

Operating lease

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statement.

4.16 Impairment

The Department tests for impairment where there is an indication that a receivable, loan or investment may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. An estimate is made for doubtful loans and receivables based on a review of all outstanding amounts at year-end. Impairments on investments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows/service potential flowing from the instrument.

4.17 Provisions

Provisions are disclosed when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

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5. Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements. These receivables are written off when identified as irrecoverable and are disclosed separately.

6. Net Assets

6.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.

6.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

7. Related party transactions

Specific information with regards to related party transactions is included in the disclosure notes.

8. Key management personnel

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

9. Public private partnerships

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

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1 Annual appropriation

1.1 Annual appropriation

	2012/13			Appropriation received 2010/11
	Final appropriation	Actual funds received	Funds not requested/not received	
	R'000	R'000	R'000	R'000
Programmes				
ADMINISTRATION	390,899	390,899	-	298,909
INTEGRATED TRANSPORT PLANNING	110,094	110,094	-	133,238
RAIL TRANSPORT	10,297,633	10,297,633	-	9,540,526
ROAD TRANSPORT	18,230,705	18,230,705	-	21,736,428
CIVIL AVIATION	520,807	520,807	-	72,502
MARITIME TRANSPORT	137,097	137,097	-	140,223
PUBLIC TRANSPORT	9,959,993	9,959,993	-	9,595,594
Total	39,647,228	39,647,228	-	41,517,420

2 Departmental revenue

	Note	2012/13	2011/12
		R'000	R'000
Sales of goods and services other than capital assets	2.1	92,546	305,536
Fines, penalties and forfeits	2.2	41	77
Interest, dividends and rent on land	2.3	57	147
Transactions in financial assets and liabilities	2.4	85,686	6,740
Departmental revenue collected		178,330	312,500
2.1 Sales of goods and services other than capital assets	2		
Sales of goods and services produced by the Department		92,540	305,534
Sales by market establishment		54	34
Administrative fees		92,393	305,408
Other sales		93	92
Sales of scrap, waste and other used current goods		6	2
Total		92,546	305,536
2.2 Fines, penalties and forfeits	2		
Penalties		41	77
Total		41	77
2.3 Interest, dividends and rent on land	2		
Interest		57	147
Total		57	147
2.4 Transactions in financial assets and liabilities	2		
Other Receipts including Recoverable Revenue		85,686	6,740
Total		85,686	6,740

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	Note	2012/13 R'000	2011/12 R'000
3 Compensation of employees			
3.1 Salaries and wages			
Basic salary		173,301	160,093
Performance award		12,558	11,181
Service Based		330	681
Compensative/circumstantial		6,169	5,271
Periodic payments		13,489	17,917
Other non-pensionable allowances		53,152	51,961
Total		258,999	247,104
3.2 Social contributions			
Employer contributions			
Pension		21,212	19,634
Medical		7,526	7,657
Bargaining council		30	67
Insurance		(2)	-
Total		28,766	27,358
Total compensation of employees		287,765	274,462
Average number of employees		538	514
4 Goods and services			
Administrative fees		2,244	1,050
Advertising		32,496	13,820
Assets less than R5,000	4.1	1,116	624
Bursaries (employees)		1,342	1,171
Catering		969	1,002
Communication		39,768	30,058
Computer services	4.2	10,306	7,528
Consultants, contractors and agency/outsourced services	4.3	664,764	666,963
Entertainment		484	483
Audit cost – external	4.4	6,983	5,564
Fleet services		27	1
Inventory	4.5	8,693	4,977
Operating leases		34,202	27,598
Property payments	4.6	3,680	4,739
Transport provided as part of the departmental activities		16	14,156
Travel and subsistence	4.7	52,889	45,691
Venues and facilities		11,718	44,761
Training and staff development		4,145	2,202
Other operating expenditure	4.8	3,918	2,205
Total		879,760	874,593
4.1 Assets less than R5,000	4		
Tangible assets		1,056	624
Heritage assets		129	-
Machinery and equipment		927	624
Intangible Assets		60	
Total		1,116	624

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		2012/13	2011/12
	Note	R'000	R'000
4.2 Computer services	4		
SITA computer services		5,141	3,545
External computer service providers		5,165	3,983
Total		10,306	7,528
4.3 Consultants, contractors and Agency/ Outsourced Services	4		
Business and advisory services		643,014	664,223
Legal costs		4,287	1,544
Contractors		17,184	535
Agency and support/outsourced services		279	661
Total		664,764	666,963
4.4 Audit cost – external	4		
Regularity audits		6,983	5,564
Total		6,983	5,564
4.5 Inventory	4		
Fuel, oil and gas		3	-
Other consumables		449	216
Materials and supplies		114	38
Stationery and printing		8,127	4,723
Total		8,693	4,977
4.6 Property payments	4		
Other		3,680	4,739
Total		3,680	4,739
4.7 Travel and subsistence	8		
Local		33,925	29,231
Foreign		18,964	16,460
Total		52,889	45,691
4.8 Other operating expenditure	4		
Learnerships		-	3
Professional bodies, membership and subscription fees		883	593
Resettlement costs		1,755	1,135
Other		1,280	474
Total		3,918	2,205
5 Payments for financial assets			
Material losses through criminal conduct			
Theft	5.3	14	9
Other material losses written off	5.1	4,808	167
Debts written off	5.2	135	1
Total		4,957	177

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		2012/13	2011/12
	Note	R'000	R'000
5.1 Other material losses written off	5		
Nature of losses			
Interest on a legal settlement			7
Irrecoverable cost of litigation			71
Claim for loss of income plus legal costs		4,300	48
Vehicle hire and accommodation - no show		108	41
Legal settlement		400	-
Total		4,808	167
5.2 Debts written off	5		
Nature of debts written off			
Overpayments and State guarantees		135	-
Travel and subsistence			1
Total debt written off		135	1
5.3 Details of theft	5		
Stolen computer equipment		14	9
Total		14	9
6 Transfers and Subsidies			
Provinces and municipalities	36, Annexure 1A	17,220,810	15,502,972
Departmental agencies and accounts	ANNEXURE 1B	9,910,198	14,578,258
Universities and technikons	ANNEXURE 1C	9,406	9,189
Foreign governments and international organisations	ANNEXURE 1E	8,693	8,054
Public corporations and private enterprises	ANNEXURE 1D	10,227,905	9,474,098
Non-profit institutions	ANNEXURE 1F	17,827	22,431
Households	ANNEXURE 1G	408,064	448,863
Gifts, donations and sponsorships made	ANNEXURE 1I	24	209
Total		37,802,927	40,044,074
7 Expenditure for capital assets			
Tangible assets		352,806	2,925
Buildings and other fixed structures	36	345,237	-
Machinery and equipment	34	7,569	2,925
Software and other intangible assets		-	300
Computer software	35	-	300
Total		352,806	3,225

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7.1 Analysis of funds utilised to acquire capital assets - 2012/13

	Voted funds	Aid assistance	TOTAL
	R'000	R'000	R'000
Tangible assets	352,806	-	352,806
Buildings and other fixed structures	345,237		345,237
Machinery and equipment	7,569		7,569
Total	352,806	-	352,806

7.2 Analysis of funds utilised to acquire capital assets - 2011/12

	Voted funds	Aid assistance	TOTAL
	R'000	R'000	R'000
Tangible assets	2,925	-	2,925
Machinery and equipment	2,925		2,925
Software and other intangible assets	300	-	300
Computer software	300		-
Total	3,225	-	3,225

	Note	2012/13 R'000	2011/12 R'000
8 Unauthorised expenditure			
8.1 Reconciliation of unauthorised expenditure			
Opening balance		1,207,374	1,207,374
Unauthorised expenditure awaiting authorisation / written off		1,207,374	1,207,374
8.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification			
Current		1,207,374	1,207,374
Total		1,207,374	1,207,374
8.3 Analysis of unauthorised expenditure awaiting authorisation per type			
Unauthorised expenditure relating to overspending of the vote or a main division within the vote		1,207,374	1,207,374
Total		1,207,374	1,207,374
9 Fruitless and wasteful expenditure			
9.1 Reconciliation of fruitless and wasteful expenditure			
Opening balance		-	12
Add: Fruitless and wasteful expenditure - current year			
Current expenditure		470	
Less: Amounts transferred to receivables for recovery		-	(12)
Fruitless and wasteful expenditure awaiting condonement		470	-
9.2 Analysis of awaiting condonement per economic classification			
Current		470	-
Total		470	-

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The fruitless and wasteful expenditure of R470,000 was incurred in 2010/11 due to the fraudulent delivery and collection of inkjet cartridges, and was included in Other debtors in prior years. Although the supplier reported the case to the South African Police Services, the Department did not. The Department also did not investigate the case. The Department will ensure that the case is investigated and will lodge a criminal case with the South African Police Services. The amount was included in Provisions in Disclosure Note 33 to the Annual Financial Statements pending the finalisation of the investigation.

		2012/13	2011/12
		R'000	R'000
10	Cash and cash equivalents		
	Cash on hand	28	28
	Investments (Domestic)	50,263	7
	Total	50,291	35
11	Prepayments and advances		
	Prepayments	23,294	5,730
	Advances paid to other entities	3,713	4,017
	Total	27,007	9,747

		2012/13				2010/11
		Less than one year	One to three years	Older than three years	Total	R'000
		R'000	R'000	R'000	R'000	R'000
12	Receivables					
	Claims recoverable	36,221	237,369		273,590	288,245
	Recoverable expenditure	37	81		118	105
	Staff debt	95	249	45	389	492
	Other debtors	177,758	527,143	110	705,011	527,884
	Total	214,111	764,842	155	979,108	816,726

		2012/13	2011/12
		R'000	R'000
12.1	Claims recoverable		
	National departments	1,388	179
	Provincial departments	23	20
	Public entities	272,179	288,046
	Total	273,590	288,245
12.2	Recoverable expenditure (disallowance accounts)		
	Salary overpayments	118	105
	Total	118	105
12.3	Staff debt		
	Overpayments and State guarantees	114	87
	Subsistence and travel	92	197
	Other	183	208
	Total	389	492

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		2012/13	2011/12
		R'000	R'000
	Note		
12.4 Other debtors	12		
Ex personnel - overpayments and State guarantees		103	188
Subsistence and travel		10	23
eNaTIS transaction fees to be recovered from Revenue Fund		704,734	527,026
Other		164	134
Pending cases for theft of equipment		-	513
Total		705,011	527,884
13 Investments			
Non-current			
Shares and other equity	Annexure 2A and 2B		
Passenger Rail Authority of South Africa Ltd.		4,248,259	4,248,259
Airports Company Ltd.		559,492	559,492
Air Traffic and Navigation Services Company Ltd.		190,646	190,646
S.A. National Roads Agency Ltd.		1,091,044	1,091,044
Total non-current		6,089,441	6,089,441
Analysis of non current investments			
Opening balance		6,089,441	6,089,441
Closing balance		6,089,441	6,089,441
14 Voted funds to be surrendered to the Revenue Fund			
Opening balance		320,889	120,272
Transfer from statement of financial performance		319,013	320,889
Paid during the year		(320,889)	(120,272)
Closing balance		319,013	320,889
15 Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund			
Opening balance		71	101,455
Transfer from Statement of Financial Performance		178,330	312,500
Paid during the year		(178,328)	(413,884)
Closing balance		73	71
16 Bank overdraft			
Consolidated Paymaster General Account		1,695,970	1,488,832
Total		1,695,970	1,488,832
17 Payables - current			
Clearing accounts	17.1	99	1,208
Other payables	17.2	248,857	222,558
Total		248,956	223,766

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		2012/13	2011/12
		R'000	R'000
17.1	Clearing accounts	17	
	Income tax	97	1,183
	Pension fund	1	2
	Medical aid		23
	Other	1	-
Total		99	1,208
17.2	Other payables	17	
	eNaTIS transaction fees owing to the Revenue Fund and due by the Road Traffic Management Corporation	200,581	222,544
	Other	42	14
	Over payment to Road Accident Fund owing to the Revenue Fund	48,234	-
Total		248,857	222,558

		One to two years	Two to three years	More than three years	Total	2010/11
		R'000	R'000	R'000	R'000	R'000
18	Payables – non-current					
	Other payables	29			29	58
Total		29	-	-	29	58

		2012/13	2011/12
		R'000	R'000
18.1	Other payables	18	
	Appeal deposits	29	58
Total		29	58
19	Net cash flow available from operating activities		
	Net surplus/(deficit) as per Statement of Financial Performance	497,343	633,389
	Add back non cash/cash movements not deemed operating activities	(301,333)	(345,691)
	(Increase)/decrease in receivables – current	(162,382)	28,497
	(Increase)/decrease in prepayments and advances	(17,260)	156,273
	(Increase)/decrease in other current assets	(470)	12
	Increase/(decrease) in payables – current	25,190	458
	Expenditure on capital assets	352,806	3,225
	Surrenders to Revenue Fund	(499,217)	(534,156)
	Net cash flow generated by operating activities	196,010	287,698
20	Reconciliation of cash and cash equivalents for cash flow purposes		
	Consolidated Paymaster General account	(1,695,970)	(1,488,832)
	Cash on hand	28	28
	Cash with commercial banks (Local)	50,263	7
Total		(1,645,679)	(1,488,797)

**DEPARTMENT OF TRANSPORT
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2013

		2012/13	2011/12		
		R'000	R'000		
21	Contingent liabilities and contingent assets				
	21.1 Contingent liabilities				
	Liable to Nature				
	Housing loan guarantees Employees	Annex 3A -	137		
	Other guarantees	Annex 3A 19,615,659	19,690,663		
	Claims against the Department	Annex 3B 61,838	66,671		
	Intergovernmental payables (unconfirmed balances)	Annex 5 200,581	-		
	Other	Annex 3B -	-		
	Total	19,878,078	19,757,471		
22	Commitments				
	Current expenditure				
	Approved and contracted	765,187	912,576		
	Approved but not yet contracted	4	32		
		765,191	912,608		
	Capital expenditure (including transfers)				
	Approved and contracted	365	487		
	Approved but not yet contracted	21	21		
		386	508		
	Total commitments	765,577	913,116		
	Committed for longer than a year:				
	Current expenditure approved and contracted R138,266,438				
	Capital expenditure approved and contracted R129,181				
23	Accruals				
	Listed by economic classification	30 days	30+ days	Total	Total
	Goods and services	9,952	1,723	11,675	106,889
	Capital assets	13	10	23	187
	Total	9,965	1,733	11,698	107,076
	Listed by programme level				
		Note	2012/13	2011/12	
			R'000	R'000	
	Programme 1		6,168	14,536	
	Programme 2		2,013	1,607	
	Programme 3		1,065	653	
	Programme 4		95	76,677	
	Programme 5		1,317	3,087	
	Programme 6		550	9,867	
	Programme 7		490	649	
	Total		11,698	107,076	
	Confirmed balances with departments	Annex 5	2,454	914	
	Confirmed balances with other government entities	Annex 5	-	119	
	Total		2,454	1,033	
24	Employee benefits				
	Leave entitlement		33,262	31,273	
	Service bonus (Thirteenth cheque)		6,267	5,415	
	Capped leave commitments		10,559	9,836	
	Total		50,088	46,524	

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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25 Lease commitments

25.1 Operating leases expenditure

2012/13

	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	55,723	2,642	58,365
Later than 1 year and not later than 5 years	-	-	205,601	1,608	207,209
Later than five years	-	-	228,282		228,282
Total lease commitments	-	-	489,606	4,250	493,856

2011/12

	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	51,122	2,743	53,865
Later than 1 year and not later than 5 years	-	-	254,829	3,078	257,907
Later than five years	-	-	306,940		306,940
Total lease commitments	-	-	612,891	5,821	618,712

26 Receivables for departmental revenue

Transactions in financial assets and liabilities

Total

26.1 Analysis of receivables for departmental revenue

Opening balance

Less: Amounts received

Add: Amounts recognised

Less: Amounts written-off/reversed as irrecoverable

Closing balance

27 Irregular expenditure

27.1 Reconciliation of irregular expenditure

Opening balance

Add: Irregular expenditure - relating to prior year

Add: Irregular expenditure - relating to current year

Less: Amounts condoned

Irregular expenditure awaiting condonation

Analysis of awaiting condonation per age classification

Current year

Prior years

Total

Note	2012/13 R'000	2011/12 R'000
	209	266
Total	209	266
	266	287
	135	142
	81	121
	3	-
Closing balance	209	266
	56,829	21,340
	1,579	8,403
	345,790	48,482
	(347,653)	(21,396)
Irregular expenditure awaiting condonation	56,545	56,829
	2,159	46,342
	54,386	10,487
Total	56,545	56,829

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for the year ended 31 March 2013

		2012/13
		R'000
27.2	Details of irregular expenditure - current year	
	Incident	Disciplinary steps taken/ criminal proceedings
	Publication arranged without following procedures	None yet - recommended 492
	Quotation accepted based on the lowest price instead of on points scored	None yet - being investigated 61
	Bids were not invited for a construction project	None yet - being investigated 345,237
		345,790
27.3	Details of irregular expenditure condoned	
	Incident	Condoned by (condoning authority)
	No competitive bids invited	Bid Adjudicating Committee 417
	No tax clearance certificate	Bid Adjudicating Committee 138
	Contract extended without approval	Bid Adjudicating Committee 1,861
	Bids were not invited for a construction project	National Treasury 345,237
		347,653
27.4	Details of irregular expenditure recoverable (not condoned)	
	Incident	Condoned by (condoning authority)
	Overpayment on a transfer payment	
	Bid awarded without following correct procedures	Not condoned by Treasury and recovered 26
		26
27.5	Details of irregular expenditure under investigation	
	Incident	
	Extension of scope without prior approval, and delegated authority was exceeded	43,458
	Bid awarded without following correct procedures	12,407
	Bids were not invited for a construction project	345,237
	Quotation accepted based on the lowest price instead of on points scored	61
		401,163

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
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	2012/13	2011/12
	R'000	R'000
28 Fruitless and wasteful expenditure		
28.1 Reconciliation of fruitless and wasteful expenditure		
Opening balance	2,221	2,214
Fruitless and wasteful expenditure – relating to prior year	(2,173)	-
Fruitless and wasteful expenditure – relating to current year	644	49
Less: Amounts resolved	(1)	-
Less: Amounts transferred to receivables for recovery	(8)	(42)
Fruitless and wasteful expenditure awaiting condonement	683	2,221
28.2 Analysis of awaiting condonement per economic classification		
Current	683	2,221
Total	683	2,221

28.3 Analysis of current year's fruitless and wasteful expenditure		2012/13
Incident	Disciplinary steps taken/criminal proceedings	R'000
Non-arrivals and no shows	No Show Committee decided to recover the cost from individuals	11
	Transferred to debt	1
	To write off	84
	Cases being investigated	1
	Services paid for but not rendered	547
	Total	644

	2012/13	2011/12
	R'000	R'000
29 Related party transactions		
Revenue received		
Tax revenue/user charges	39,647,228	41,517,420
Transactions in financial assets and liabilities	29,742	10,000
Total	39,676,970	41,527,420
Payments made		
Goods and services	83,606	47,502
Transactions in financial assets and liabilities	544,001	541,887
Total	627,607	589,389
Year end balances arising from revenue/payments		
Receivables from related parties	273,567	65,681
Payables to related parties	(203,035)	-
Total	70,532	65,681
Guarantees issued		
S.A. National Roads Agency Ltd.	18,903,702	19,426,320
Passenger Rail Authority of South Africa	133,252	264,343
Total	19,036,954	19,690,663

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Name of related party	Relationship	Types of transaction	Elements of transaction
Auditor General	National Department	Goods and services	External audit
Department of Agriculture	National Department	Goods and services	Salary claims
Department of Health	National Department	Goods and services	Salary claims
Department of International Relations and Cooperation	National Department	Goods and services	Foreign offices and overseas trips and salary claims
Department of Public Works	National Department	Goods and services	Salary claims
Department of Justice & Constitutional Development	National Department	Goods and services	Salary claims and legal services
Department of Public Enterprises	National Department	Goods and services	Cellular telephone claims
Department of Public Service and Administration	National Department	Goods and services	Salary claims
Government Communications	National Department	Goods and services	Communication services
Government Printer	National Department	Goods and services	Printing services
National Intelligence Agency	National Department	Goods and services	Security clearances
Statistics South Africa	National Department	Goods and services	National Transport Household Survey
Road Traffic Management Corporation	Public Entity	Goods and services	Salary claims and transactions in financial assets and liabilities
South African Civil Aviation Authority	Public Entity	Goods and services	Salary claims
National Treasury	National Department	Tax revenue/user charges, and transactions in financial assets and liabilities	Voted funds and surrenders and revenue surrendered
Driving Licence Card Account	Trading Entity	Goods and services	Salary claims and transactions in financial assets and liabilities
SASSA	National Department	Goods and services	Salary claims
Property Management Trading Entity	Public Entity	Goods and services	Rental of premises
South African Maritime Safety Authority	Public Entity	Goods and services	Traveling costs and services

		2012/13	2011/12
	Note	R'000	R'000
30 Key management personnel	No. of		
	Individuals		
Political office bearers	4	3,391	3,468
Level 15 to 16	18	18,667	15,754
Level 14 (incl CFO if at a lower level)	32	26,346	23,816
Total		48,404	43,038

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	Note	2012/13	2011/12
		R'000	R'000
31 Public Private Partnership			
Contract fee paid		14,370	10,037
Goods and Services (excluding lease payments)		14,370	10,037
Any guarantees issued by the Department are disclosed in Note 21.1			
32 Impairment			
Investments - refer Annexure 2A		1,918,493	1,761,170
Debtors		704,989	422
Total		2,623,482	1,761,592
33 Provisions			
Claim for emotional shock		711	-
Claim for rail accident		100	-
Claim for termination of agreements		1,336	2,736
Claim for services rendered		433	-
Claim for a demand guarantee		29,772	29,772
Pending cases for theft of equipment		470	513
Other		39	36
Claim for damages due to cut grass not removed from the N1		-	35
Claim for a communications event		-	1,535
eNaTIS transaction fees due by the Road Traffic Management Corporation		-	222,544
Claim for development of a policy		13,500	-
Claim for loss of support due to a train accident		1,870	-
Provision for Performance bonuses		4,339	-
Total		52,570	257,171

34 MOVABLE TANGIBLE CAPITAL ASSETS

34.1 MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Opening balance	Curr year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	32,044	(177)	7,652	4,815	34,704
Transport assets	822		3,399	624	3,597
Computer equipment	20,664	(13)	3,037	3,573	20,115
Furniture and office equipment	7,827	(164)	596	422	7,837
Other machinery and equipment	2,731		620	196	3,155
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	32,044	(177)	7,652	4,815	34,704

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2013

Additions

34.2 ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Cash	Non-cash	(Capital work-in-progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	7,569	83	-	-	7,652
Transport assets	3,399				3,399
Computer equipment	3,037				3,037
Furniture and office equipment	586	10			596
Other machinery and equipment	547	73			620
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	7,569	83	-	-	7,652

Disposals

34.3 DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER For the year ended 31 March 2013

	Sold for cash	Transfer out or destroyed or scrapped	Total disposals	Cash received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	-	4,815	4,815	-
Transport assets		624	624	
Computer equipment		3,573	3,573	
Furniture and office equipment		422	422	
Other machinery and equipment		196	196	
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	-	4,815	4,815	-

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2013

Movement for 2011/12

34.4 MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	Opening balance	Curr year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	29,091	113	2,925	85	32,044
Transport assets	822		-	-	822
Computer equipment	18,299	(3)	2,399	31	20,664
Furniture and office equipment	7,414	115	345	47	7,827
Other machinery and equipment	2,556	1	181	7	2,731
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	29,091	113	2,925	85	32,044

Minor assets

34.5 MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	6	-	16,607	-	16,613
Current Year Adjustments to Prior Year Balances				37		37
Additions				996		996
Disposals				1820		1820
TOTAL MINOR ASSETS	-	6	-	15,820	-	15,826

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
Number of minor assets at cost		1		12,168		12,169
TOTAL NUMBER OF MINOR ASSETS	-	1	-	12,168	-	12,169

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2013

35 Intangible capital assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Opening balance	Curr year adjustments to prior year balances	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	305	-	-	-	305
TOTAL INTANGIBLE CAPITAL ASSETS	305	-	-	-	305

Movement for 2011/12

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2012

	R'000	R'000	R'000	R'000	R'000
COMPUTER SOFTWARE	5		300	-	305
TOTAL INTANGIBLE CAPITAL ASSETS	5	-	300	-	305

36 Immovable tangible capital assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES					
Other fixed structures	-		345,237	-	345,237
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	-	-	345,237	-	345,237

36.1 Additions

ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2013

	Cash	Non-cash	(Capital work-in-progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	345,237	-	-	-	345,237
Other fixed structures	345,237				345,237
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	345,237	-	-	-	345,237

The additions was for the refurbishment of the Mthatha Airport and will be formally transferred to the Eastern Cape Department of Transport.

**DEPARTMENT OF TRANSPORT
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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2013

37 STATEMENT OF CONDITIONAL GRANTS PAID TO THE PROVINCES

NAME OF PROVINCE/ GRANT	GRANT ALLOCATION				TRANSFER			SPENT			2011/12 Division of Revenue Act
	Division of Revenue Act	Roll- overs	Adjustments	Total available	Actual transfer	Funds withheld	Re- allocations by National Treasury or National Department	Amount received by department	Amount spent by department	% Of available funds spent by dept	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Gauteng Treasury - Gautrain Rapid Rail Link	-	-	-	-	-	-	-	-	-	-	5,300
Province - Eastern Cape	1,544,451			1,544,451	1,544,451			1,544,451	1,554,561	101%	1,282,706
Province - Free State	757,802			757,802	757,802			757,802	796,504	105%	653,499
Province - Gauteng	2,204,827			2,204,827	2,204,827			2,204,827	2,399,590	109%	2,144,688
Province - KwaZulu-Natal	2,309,450			2,309,450	2,309,450			2,309,450	2,315,383	100%	2,039,857
Province - Limpopo	1,429,319			1,429,319	1,429,319			1,429,319	1,219,642	85%	1,223,877
Province - Mpumalanga	1,679,697			1,679,697	1,679,697			1,679,697	1,671,002	99%	1,436,702
Province - North West	675,475			675,475	675,475			675,475	427,030	63%	447,190
Province - Northern Cape	522,961			522,961	522,961			522,961	524,125	100%	544,671
Province - Western Cape	1,175,132			1,175,132	1,175,132			1,175,132	1,208,738	103%	1,077,396
	12,299,114	-	-	12,299,114	12,299,114	-	-	12,299,114	12,116,575		10,855,886

It is certified that all transfers in terms of the Division of Revenue Act were deposited into the primary bank account of a province or, where appropriate, into the CPD account of a province.

The Gautrain Rapid Rail Link Grant was paid into the bank account designated for the transfer of the grant.

**DEPARTMENT OF TRANSPORT
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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2013

Annexure 1A
STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER			SPENT			2011/12 Division of Revenue Act R'000	
	Division of Revenue Act	Roll-overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality		% of available funds spent by municipality
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000		%
Johannesburg	1,298,702			1,298,702	1,195,000	103,702		1,195,000	355,855	30%	1,700,000
Tshwane	748,702			748,702	748,702			748,702	181,702	24%	200,000
Cape Town	1,348,702			1,348,702	1,348,702			1,348,702	1,106,714	82%	1,800,000
Ethekwini	598,703			598,703	598,703			598,703	46,505	8%	205,000
Mangaung	20,000			20,000	20,000			20,000	4,866	24%	15,000
Mbombela	98,703			98,703	98,703			98,703	26,554	27%	45,000
Nelson Mandela	298,702			298,702	298,702			298,702	98,455	33%	340,000
Polokwane	98,703			98,703	98,703			98,703	28,947	29%	55,347
Ekurhuleni	50,000			50,000	50,000			50,000	16,393	33%	20,000
Rustenburg	303,484			303,484	303,484			303,484	232,931	77%	178,000
Buffalo City	78,702			78,702	78,702			78,702	13,565	17%	180,000
Msunduzi	45,000			45,000	45,000			45,000	26,745	59%	65,000
Chris Hani	1,776			1,776	1,776			1,776	1,776	100%	1,688
OR Tambo	1,776			1,776	1,776			1,776	1,776	100%	1,687
Sekhukhune	1,776			1,776	1,776			1,776	1,471	83%	1,687
Umkhanyakude	1,776			1,776	1,776			1,776	1,444	81%	1,687
Amatole	1,776			1,776	1,776			1,776	1,776	100%	1,688
Ukhahlamba/Joe Gqabi	1,776			1,776	1,776			1,776	1,776	100%	1,688

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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

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Annexure 1A (Continued)
STATEMENT OF CONDITIONAL GRANTS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION			TRANSFER			SPENT			2011/12	
	Division of Revenue Act	Roll-overs	Adjustments	Total available	Actual transfer	Funds withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality		% of available funds spent by municipality
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Alfred Nzo	1,776			1,776	1,776			1,776	1,776	100%	1,687
Ugu	1,776			1,776	1,776			1,776	1,312	74%	1,688
uMgungundlovu	1,776			1,776	1,776			1,776	1,205	68%	1,688
Uthukela	1,776			1,776	1,776			1,776	1,622	91%	1,688
Umzinyathi	1,776			1,776	1,776			1,776	1,028	58%	1,688
Amajuba	1,776			1,776	1,776			1,776	1,278	72%	1,688
Zululand	1,776			1,776	1,776			1,776	1,708	96%	1,688
uThungulu	1,776			1,776	1,776			1,776	609	34%	1,687
Sisonke	1,776			1,776	1,776			1,776	975	55%	1,687
iLembe	1,776			1,776	1,776			1,776	717	40%	1,687
Mopani	1,776			1,776	1,776			1,776	1,359	77%	1,688
Vhembe	1,776			1,776	1,776			1,776	1,678	94%	1,688
Capricorn	1,776			1,776	1,776			1,776	1,011	57%	1,687
Ngaka Modiri Molema	1,776			1,776	1,776			1,776	1,570	88%	1,688
Dr Ruth Segomotsi Mompoti	1,775			1,775	1,775			1,775	1,222	69%	1,687
	5,025,398	-	-	5,025,398	4,921,696	103,702	-	4,921,696	2,168,321		4,838,786

It is certified that all the amounts were paid into the primary bank accounts of the Municipalities. In some cases, the amounts that were spent exceed the amount of grants transferred to the recipient. In these cases, additional amounts were spent on the initiatives by the municipalities from their own resources.

DEPARTMENT OF TRANSPORT
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ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2013

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/AGENCY/ACCOUNT	TRANSFER ALLOCATION			TRANSFER		2011/12 Appropriation Act R'000
	Adjusted appropriation R'000	Rollovers R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	
South African National Roads Agency Ltd.	9,728,055			9,728,055	9,728,055	100%
Railway Safety Regulator	39,349			39,349	39,349	100%
South African Civil Aviation Authority	17,025			17,025	17,025	100%
South African Maritime Safety Authority	9,288			9,288	9,288	100%
Transport Education and Training Authority	207			207	-	0%
Road Traffic Management Corporation	82,412			82,412	82,412	100%
Ports Regulator	15,069			15,069	15,069	100%
Road Traffic Infringements Agency	5,000			5,000	19,000	380%
	9,896,405	-	-	9,896,405	9,910,198	
						14,578,258

ANNEXURE 1C

STATEMENT OF TRANSFERS TO UNIVERSITIES AND TECHNIKONS

UNIVERSITY/TECHNIKON	TRANSFER ALLOCATION			TRANSFER		2011/12 Appropriation Act R'000	
	Adjusted appropriation R'000	Rollovers R'000	Adjustments R'000	Total available R'000	Actual transfer R'000		Amount not transferred R'000
University of Stellenbosch	3,200		16	3,216	3,216	-	0%
University of Pretoria	3,742		(839)	2,903	2,661	242	9%
University of Kwa-Zulu Natal	2,706		228	2,934	2,934	-	0%
North West University			279	279	279	-	0%
Tshwane University of Technology			91	91	91	-	0%
University of Johannesburg			225	225	225	-	0%
	9,648	-	-	9,648	9,406	242	
							9,189

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ANNEXURE 1D
STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/ PRIVATE ENTERPRISE	TRANSFER ALLOCATION				TRANSFER			2011/12 Appropriation Act	
	Adjusted appropriation Act	Rolovers	Adjustments	Total available	Actual transfer	% of available funds transferred	Capital		Current
	R'000	R'000	R'000	R'000	R'000		R'000	R'000	R'000
Public Corporations									
Transfers									
Passenger Rail Agency of South Africa	10,227,905			10,227,905	10,227,905	100%	6,313,824	8,453,199	9,474,098
TOTAL	10,227,905			10,227,905	10,227,905	100%	6,313,824	8,453,199	9,474,098

ANNEXURE 1E
STATEMENT OF TRANSFERS TO FOREIGN GOVERNMENT AND INTERNATIONAL ORGANISATIONS

FOREIGN GOVERNMENT / INTERNATIONAL ORGANISATION	TRANSFER ALLOCATION				EXPENDITURE			2011/12 Appropriation Act
	Adjusted appropriation Act	Rollovers	Adjustments	Total available	Actual transfer	% of Available funds transferred		
	R'000	R'000	R'000	R'000	R'000	%	R'000	
Transfers								
COSPAS / SARPAT	391			391	355	91%	372	
International Civil Aviation Organisation	6,427			6,427	5,000	78%	6,269	
Indian Ocean Memorandum of Understanding	262			262	407	0%	249	
International Maritime Organisation	1,184			1,184	2,931	34%	1,128	
African Civil Aviation Commission	868			868	2,931	338%	827	
TOTAL	9,132			9,132	8,693		8,845	

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**ANNEXURE 1F
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS**

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION			EXPENDITURE		2011/12 Appropriation Act R'000
	Adjusted appropriation Act R'000	Rollovers R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	
Transfers						
National Sea Rescue Institute	1,160			1,160	1,160	100%
SANTACO	16,460			16,460	16,460	100%
HAMNET	-			-	-	66
Off Road Rescue Unit	69			69	69	100%
The Mountain Club of South Africa	69			69	69	100%
National Emergency Communications Division of the South African Radio League	69			69	69	100%
TOTAL	17,827	-	-	17,827	17,827	22,478

**ANNEXURE 1G
STATEMENT OF TRANSFERS TO HOUSEHOLDS**

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION			EXPENDITURE		2011/12 Appropriation Act R'000
	Adjusted appropriation Act R'000	Rollovers R'000	Adjustments R'000	Total available R'000	Actual transfer R'000	
Transfers						
Taxi recapitalisation	462,811		(20,000)	442,811	407,437	92%
Leave gratuity	144		667	811	627	77%
Injury on duty	-		-	-	-	2
TOTAL	462,955	-	(19,333)	443,622	408,064	448,875

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**ANNEXURE 1H
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED**

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2012/13	2011/12
		R'000	R'000
Received in kind			
UNDP South Africa	Sponsorship of a skills development programme	1,902	280
Maritime Ports Authority Singapore	Sponsored a Maritime Public Leader's programme	60	
International Maritime Organisation	Sponsored a Maritime workshop	30	
Maritime Law Institute of Malta	Sponsorship of a 9 month programme in International Maritime Law	40	
Air Traffic and Navigation Services Company Ltd.	Sponsored interpreter services for the African Renaissance Conference	124	
International Labour Organisation	Sponsored an HIV/AIDS conference	259	
RECAAP Information Sharing Centre	Sponsored an official to attend a counter piracy workshop and seminar	80	
Singapore Aviation Academy	Sponsored a Search and Rescue Administration course	47	
Transport Education and Training Authority	Sponsored departmental interns	265	
TOTAL		2,807	280

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE AND REMISSIONS, REFUNDS AND PAYMENTS MADE AS AN ACT OF GRACE

NATURE OF GIFT, DONATION OR SPONSORSHIP (Group major categories but list material items including name of organisation)	2012/13	2011/12
	R'000	R'000
Paid in cash		
Sponsor a dinner during the World Assembly of the International Council of Aircraft Owners and Pilot's Associations		100
Sponsor a Summit for Rural Women, Widows and Domestic Workers		100
Gifts for guests to the South African office at the International Maritime Organisation		8
Sponsor a sports tournament amongst departments		1
Sponsor a Departmental sports day	1	
Gift for search and rescue services	1	
Sponsor a school for use of its sports facilities	22	
TOTAL	24	209

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**ANNEXURE 2A
STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO NATIONAL/PROVINCIAL PUBLIC ENTITIES**

NAME OF PUBLIC ENTITY	State entity's PFMA Schedule Type (state year end if not 31 March)	% Held 12/13	% Held 11/12	Number of shares held		Cost of investment R'000		Net asset value of investment R'000		Profit/(loss) for the year R'000		Losses guaranteed
				2012/13	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13	2011/12	
National/Provincial Public Entity												
Passenger Rail Agency of South Africa Ltd.	3B	100.00%	100.00%	4,248,258,440	4,248,258,440	4,248,259	4,248,259	2,329,766	2,487,089	(157,323)	(28,931)	No
Airports Company Ltd.	2	74.60%	74.60%	372,994,884	372,994,884	559,492	559,492	10,705,883	9,002,828	1,218,646	(7,744)	No
Air Traffic and Navigation Services Company Ltd.	2	100.00%	100.00%	190,646,000	190,646,000	190,646	190,646	1,381,080	1,187,290	193,790	209,717	No
S.A. National Roads Agency Ltd.	3A	100.00%	100.00%	4,000	4,000	1,091,044	1,091,044	207,525,930	198,999,668	1,353,018	(2,482,379)	No
Road Traffic Management Corporation	3A							136,857	(186,902)	323,759	(5,679)	No
Cross Border Road Transport Agency	3A							133,500	78,937	(7,176)	76,153	No
Road Accident Fund	3A							(54,894,831)	(46,395,550)	(8,550,333)	(16,487,322)	No
Railway Safety Regulator	3A							2,714	4,867	(2,126)	3,499	No
South African Maritime Safety Authority	3A							173,358	167,681	(56,759)	(62,664)	No
South African Civil Aviation Safety Authority	3A							127,087	104,212	22,874	11,745	No
Ports Regulator	3A							7,246	6,073	1,777	3,105	No
Road Traffic Infringements Agency	3A							44,784	6,373	38,411	12,046	No
TOTAL				4,811,903,324	4,811,903,324	6,089,441	6,089,441	167,673,374	165,462,566	(5,621,442)	(18,758,454)	

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ANNEXURE 2B STATEMENT OF INVESTMENTS IN AND AMOUNTS OWING BY/TO ENTITIES (continued)

NAME OF PUBLIC ENTITY	Nature of business	Cost of investment R'000		Net asset value of investment R'000		Amounts owing to entities R'000		Amounts owing by entities R'000	
		2012/13	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13	2011/12
Controlled entities									
Passenger Rail Agency of South Africa Ltd.	Public transport	4,248,259	4,248,259	2,329,766	2,487,089				
Airports Company Ltd.	Airports	559,492	559,492	10,205,883	9,002,828				
Air Traffic and Navigation Services Company Ltd.	Air traffic control	190,646	190,646	1,381,080	1,187,290				
S.A. National Roads Agency Ltd.	Roads	1,091,044	1,091,044	207,525,930	198,999,668				
Road Traffic Management Corporation	Road traffic			136,857	(186,902)			233,249	234,102
Cross Border Road Transport Agency	Cross border				78,937				
Road Accident Fund	Road accidents			(54,894,831)	(46,395,550)			48,234	
Railway Safety Regulator	Rail safety				4,867				
South African Maritime Safety Authority	Maritime safety regulation				167,681			22,285	14
Driving License Card Account	Driving license cards			231,088	34,621			34,439	52,310
Ports Regulator	Ports regulation				6,073			25	25
South African Civil Aviation Safety Authority	Civil Aviation safety regulation			127,087	104,216			4,138	1,595
Road Traffic Infringements Agency	Road traffic infringements				6,373				
TOTAL		6,089,441	6,089,441	167,042,860	165,497,191	48,234	-	294,136	288,046

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ANNEXURE 3A
STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2013 - LOCAL

GUARANTOR INSTITUTION	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2012	Guarantees draw downs during the year	Guaranteed repayments/cancelled/reduced/released during the year	Revaluations	Closing balance 31 March 2013	Guaranteed interest for year ended 31 March 2013	Realised losses not recoverable i.e. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Motor vehicles								
Stannic		3,886	-	-	-	-	-	-	-
	Subtotal	3,886							
	Housing								
ABSA		183	90	-	90	-	-	-	-
First National Bank		35	-	-	-	-	-	-	-
African Bank		21	-	-	-	-	-	-	-
NBS		42	-	-	-	-	-	-	-
Nedcor (Nedbank)		186	-	-	-	-	-	-	-
Saambou Bank		21	-	-	-	-	-	-	-
Standard Bank		43	-	-	-	-	-	-	-
VBS Mutual Bank		81	47	-	47	-	-	-	-
	Subtotal	612	137		137				
	Other								
S.A. National Roads Agency Ltd.	Capital Market loans	31,910,000	11,430,000		409,000		11,021,000	478,866	
S.A. National Roads Agency Ltd.	N1 Loan	1,036,523	867,618		90,618		777,000	83,100	
S.A. National Roads Agency Ltd.	SZ Bonds & Money Market Loans	6,000,000	5,679,000	280,000			5,959,000		
S.A. National Roads Agency Ltd.	EIB Loan	1,146,702	1,146,702				1,146,702	16,739	
Passenger Rail Agency of South Africa Ltd.	Obligations of Autopax (Pty) Ltd. for inter-city buses	1,216,776	264,343		131,091		133,252		
		41,310,001	19,387,663	280,000	630,709		19,036,954	578,705	
		41,314,499	19,387,800	280,000	630,846		19,036,954	578,705	

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ANNEXURE 3B
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2012

Nature of liability	Opening balance 1 April 2012	Liabilities incurred during the year	Liabilities paid/cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2013
	R'000	R'000	R'000	R'000	R'000
Claims against the Department					
Injuries sustained during a paragliding accident	18,913		18,913		-
Motor vehicle damages	534	585	386		733
Injuries sustained during motor vehicle accidents	225				225
Loss of income	1,500				1,500
Termination of an agreement	2,736	141	1,541		1,336
Infringement of constitutional rights: Drivers license	10,000				10,000
Demand Guarantee	29,772				29,772
Not renewing a professional drivers license	204	28			232
Loss of support due to a vehicle accident	1,131		1,131		-
Lease not paid by Gauteng Province	86				86
Fire damage due to cut grass not removed from N1	35		35		-
Claim for a communications event	1,535		1,535		-
Claim for emotional shock		711			711
Claim for rail accident		100			100
Claims for unlawful arrest and detention		840			840
Claim for defamation		500			500
Claim for developing a policy		13,500			13,500
Claim for services rendered		433			433
Claim for loss of support		1,870			1,870
TOTAL	66,671	18,708	23,541	-	61,838

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**ANNEXURE 4
CLAIMS RECOVERABLE**

Government entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	R'000	R'000	R'000	R'000	R'000	R'000
Department						
Department of Public Works			27	12	27	12
Department of International Relations and Cooperation			2	4	2	4
Department of Health			23	56	-	56
Gauteng Department of Transport			3	2	3	2
S.A. National Defence Force			14	28	14	28
Department of Cooperative Governance & Traditional Affairs				11	-	11
Eastern Cape Office of the Premier				71	-	71
Office of the President			6	6	6	6
SASSA			233	-	233	-
Department of Correctional Services			1,109	-	1,109	-
Department of Home Affairs			1,109	-	1,109	-
Sub total	-	-	1,417	199	1,417	199
Other government entities						
Road Traffic Management Corporation			211,286	234,102	211,286	234,102
Driving License Card Account			34,439	52,310	34,439	52,310
Ports Regulator			25	25	25	25
S.A. Civil Aviation Authority			4,138	1,595	4,138	1,595
S.A. Maritime Safety Authority			22,285	14	22,285	14
	-	-	272,173	288,046	272,173	288,046
TOTAL	-	-	273,590	288,245	273,590	288,245

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**ANNEXURE 5
INTER-GOVERNMENT PAYABLES**

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	R'000	R'000	R'000	R'000	R'000	R'000
DEPARTMENTS						
Current						
Department of Justice and Constitutional Development	1,988	811			1,988	811
Department of Public Works	108	81			108	81
The Presidency		22			-	22
Government Printing Works	343				343	-
Department of Home Affairs	15				15	-
Total departments	2,454	914	-	-	2,454	914
OTHER GOVERNMENT ENTITY						
Current						
Government Printing Works		119				119
eNaTIS transaction fees owing to the Revenue Fund						-
and due by the Road Traffic Management Corporation			200,581		200,581	-
Total other government entities	-	119	200,581	-	200,581	119
TOTAL INTERGOVERNMENTAL PAYABLES	2,454	1,033	200,581	-	203,035	1,033

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**ANNEXURE 6
INVENTORY**

Note	2012/13		2011/12	
	Quantity	R'000	Quantity	R'000
Inventory				
Opening balance	521	40	523	31
Add/(Less): Adjustments to prior year balances				(3)
Add: Additions/Purchases - Cash	23,941	29,002	38,957	8,775
Add: Additions - Non-cash				
(Less): Disposals				
(Less): Issues	(24,077)	(29,013)	(38,959)	(8,763)
Add/(Less): Adjustments				
Closing balance	385	29	521	40

Inventory comprised of stationery that was valued at cost on the first in first out basis

ANNEXURE 7A

INTER-ENTITY ADVANCES PAID (note 11)

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2013	31/03/2012	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	R'000	R'000	R'000	R'000	R'000	R'000
NATIONAL DEPARTMENTS						
Department of International Relations and Cooperation	-	-	3,641	4,017	3,641	4,017
Subtotal	-	-	3,641	4,017	3,641	4,017
PUBLIC ENTITIES						
Government Communications	72	-	-	-	72	-
Subtotal	72	-	-	-	72	-
TOTAL	72	-	3,641	4,017	3,713	4,017

