###### National Assembly

###### Question Number: 1639

**Mr C H H Hunsinger (DA) to ask the Minister of Transport:**

With reference to her department’s Fourth Quarter Performance Report 2015-16 presented to the Portfolio Committee on Transport on 17 May 2016, what are the reasons for underspending on the (a)(i) Moloto Development Corridor, (ii) National Railway Safety Regulator Amendment Bill [B 32B-2008] and (iii) National Rail Safety Strategy project budget line items under Programme 3 and (b)(i) establishment of the Appeals Committee and (ii) amendment of the Civil Aviation Act, Act 13 of 2009 budget line items under Programme 5? NW1809E

**REPLY**

(a) (i) The Department completed the feasibility study on the Moloto Development Corridor in September 2014. PRASA submitted the Treasury Approval 1 (TA1) application to National Treasury at the end of October 2014. National Treasury only responded in December 2016. The allocated budget provided for an Option Analysis to be undertaken on the establishment of an appropriate structure to manage and oversee the implementation of the Moloto Rail Development Corridor. As a result of the protracted response by National Treasury and the fact that it was not supportive of the Moloto Rail Development Corridor, the Department did not occur expenditure.

(ii) The reasons underspending on the National Railway Safety Amendment Bill was due to delays in the procurement processes in securing a suitable service provider with the appropriate technical expertise to assist the Department. The service provider was appointed in October 2016.

(iii) The reasons for underspending on the National Railway Safety Strategy is a result of scarce skill related to railway safety expertise within the transport sector. A Request for Proposal was advertised in July (Bid Number DOT/04/2015/RT), however, by closing date, the Department did not received any bids. The tender was re-advertise and a service provider was appointed in January 2016.

(b) (i) The Appeals Committee is operational since 2010. An amount of R 1,45 million was provided for the remuneration of Committee Members. Committee Members are remunerated in terms of Section 123(1) of the Civil Aviation Act, 2009 and in line with the Minister of Finance’s approved Service Benefit Packages for Office Bearers. The need for the Committee to meet is guided by the number and complexity of appeals lodged by Appellants against decisions taken by the Director of Civil Aviation of the South African Civil Aviation Authority. Thirty seven (37) meetings were held in 2015/16 where eight (8) appeals were considered. The allocated amount for this project has been reduced to R 0, 803 million in the 2016/17 financial year.

(ii) Provision has been made in the 2015/16 financial year for and amount of R 1,0 million for the appointment of a specialised legal service provider to draft the Civil Aviation Amendment Bill. There was an urgent need to amend the Civil Aviation Act, 2009, to ensure compliance with international standards and practices set by the International Civil Aviation Organization (ICAO). A decision, in line with Government’s Cost Saving Initiatives, has been taken to draft the amendments internally by officials in the Department. This has resulted in the under-expenditure as reported under Programme 5.