###### National Assembly

###### Question Number: 173

**Mr R A Lees (DA) to ask the Minister of the Transport:**

(1) Whether any plans have been put in place to stop the concession holders for the (a) Van Reenen/Thukela, (b) Bergville and (c) Mooi River toll plazas on the N3 in KwaZulu-Natal to access concessions by means of either a pre-paid concession card and/or the specified concession holders’ registered bank cards; if not, what is the position in this regard; if so, what are the full details of the proposed changes including (i) the statutory grounds on which the change was made, (ii) the name(s) of the person(s) who made the decision and (iii) who or what entity will carry out the administration of the changed concessions;

(2) will the changed concessions be administered by the N3 Toll Concession (N3TC); if not, on what statutory grounds will the changed concessions not be administered by the N3TC; if so, what are the relevant details;

(3) will the fees collected by the specified concession holders be used to expunge toll fees charged on any other routes than the N3 between Van Reenen in the Free State and Cedara in KwaZulu-Natal; if not, what is the position in this regard; if so, on what statutory grounds;

(4) will the specified concession holders still be able to pay into concession accounts at the relevant toll plaza once the proposed changes take effect; if not, why not; if so, what are the relevant details? NW184E

**REPLY:**

1. The migration from a manual based system to the state of the art interoperable electronic payment system has been in the making for the past 15 years. The objectives for this system includes benefits such as reduced instances of fraud/misuse of card based concessions, ease of use (top ups) and registration, efficient monitoring of transactions with the objective to increase levels of service and in terms of throughput the system enables the processing of three times the current traffic volumes at plazas. Due to the interoperability achieved in South Africa, a user only needs to register an account once, fit a single electronic tag in a vehicle, and maintain this single account. This will allow the user usage at all plazas in South Africa except the Chapmans Peak toll road. Making payment electronically is in accordance with best international practices, and significantly reduced delays to road users at toll plazas. It also reduces the need for expansions of existing toll plazas, due to increased efficiency and throughput of an electronic toll collection lane, vs a manual toll collection lane. The electronic payment system will ensure existing concession holders not only continue to enjoy the discounts but their transaction will be more efficient and secure.
2. The SANRAL Act allows for electronic toll collection/payment.
3. The operational decision to implement electronic (Tag) payment was taken by N3 Toll Concession (N3TC) to improve the throughput of traffic at its toll plazas, alleviate congestion and improve transaction security. The ultimate purpose of the measure is to promote increased mobility and convenience, as well as enhance the travel experience of all road users, including Concession holders.

Introducing the choice of migrating a concession account to the Tag payment method is one of the ways in which N3TC is introducing additional security to the transaction environment. Possible card usage fraud, including theft and cloning, are amongst the issues this solution is intended to address.

As a result of stakeholder engagement, the decision was taken to retain existing payment methods and introduce the Tag as just another payment method.

In accordance with the terms and conditions, information, including Frequently Asked Questions, has been circulated to affected parties informing them of the pending changes. Social media, direct emailers, SMSs and posters have been used for the dissemination of information during the course of the past 12 months.

iii) All administration to implement the change is facilitated by N3 Toll Concession at no additional cost to the customer. This automated payment system is linked nationwide to SANRAL’s Transaction Clearing House (TCH) which manages all Tag transactions on South Africa’s national toll routes, including the N3 Route.

(2) Should a concession account holder choose to migrate their account to the Tag payment method, all administration required to implement the change to a Tag payment method is facilitated by N3 Toll Concession at no additional cost to the customer.

N3TC will continue to administer concessions on the N3 Toll Route.

Yes, all administration to implement the change is facilitated by N3 Toll Concession at no additional cost to the customer.

This automated payment system is linked nationwide to SANRAL’s Transaction Clearing House (TCH) which manages all Tag transactions on South Africa’s national toll routes, including the N3 Route.

(3) Toll fees are payable in terms of the applicable tariff charged (including all discounts) at a specific toll plaza and cannot expunge another toll at a different toll plaza. In terms of the TCH, which is a central transaction clearing house, users have an account which they top-up via various channels. The monies in that account is used for payment of specific electronic toll transactions.

Concession holders’ toll fees collected via the Tag payment method are also automatically deducted from the vehicle owner’s registered TCH Account. The user has the benefit that the tag will work at all toll plazas in South Africa which accept the Tag payment method, provided the Tags are active, is in the vehicle and that the registered TCH Account shows a positive balance.

It is important to note that historic balances relating to transactions incurred on the Gauteng Freeway Improvement Project (“GFIP”), which have been transferred to the Violations Processing Centre (“VPC”), are handled independently of this registered TCH Account. Thus, none of the funds deposited into the registered TCH Account are used to clear any outstanding VPC debt. However, road users remain liable for transactions incurred on GFIP during the Grace Period (currently 30 days per the Government Gazette), and these will be deducted from the TCH Account.

The manner in which toll fees are collected via the existing traditional payment methods, remains unchanged. None of these toll fees are allocated to a Concession customer’s TCH Account unless the migration to a Tag payment option has been chosen.

(4) Traditional payment methods shall remain unchanged and concession holders will have the option to migrate to the new system.

It must be noted that the process to implement the electronic payment system commenced 18 months ago, for the past 12 months there has been ongoing engagement with concession holders and this has resulted in a substantial transition period.