###### National Assembly

Question Number: 2608

**Mr K S Mubu (DA) to ask the Minister of Transport:**

(a) What has been the funding model of the Road Traffic Management Corporation (RTMC) to date, (b) what (i) processes, (ii) procedures and (iii) mechanisms are in place to ensure the integrity of the specified funding model and (c) why has an expression of interest been called for by the RTMC? NW2983E

**Answer:**

(a) In line with Section 24 (1) of the Road Traffic Management Corporation, Act No 20 of 1999 the RTMC is funded from:

* monies prescribed, subject to section 48(1)(b) which must include transaction fees charged by the Corporation for the sale of services; -  transaction fees for vehicle licenses
* penalties and fines payable to the RTMC as an issuing authority in terms of Section 32 of the Administrative Adjudication of Road Traffic Offences Act, 1998 (Act No. 46 of 1998);-
* infringement fees issued by NTP (interest on invested cash balances); and
* monies appropriated by Parliament *-* grant from the Department of Transport.

(b) what (i) processes, (ii) procedures and (iii) mechanisms are in place to ensure the integrity of the specified funding model

The legislative framework governing RTMC and the Treasury Regulations are in place to ensure integrity of the funding model.

(c) The financial sustainability assessment that was conducted in house amongst others proved that the financial dependency of RTMC on Government funding is not sustainable. Developing a sustainable funding model warrants scientific and intellectual proneness and specialty of a particular type in ensuring long term sustainability.