**National of Assembly**

**Question Number: 51**

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

With reference to his department’s office in their Aviation Department dealing with airfreight/air cargo, what (a) is the office’s purpose, (b) is each of the positions (details furnished) responsible for, (c) has the office done since its establishment, (d) is the role of his department on airfreight development, (e) are the short-, medium- and long- term goals of the department for airfreight/air cargo, (f) total amount has been paid to the persons in these positions since their appointment and (g) is the total budget allocated to this specific department over the past three financial years?

1. The office dealing with airfreight, amongst other functions, is the Directorate: Aviation Industry Development and Airfreight. The Sub-Directorate: Civil Aviation Freight Logistics specifically has the functional responsibility to lead and provide strategic support for the management of civil airfreight logistics.
2. The Sub-Directorate: Civil Aviation Freight Logistics has two incumbents occupying the funded positions of Deputy and Assistant Directors. The position of the Director remains vacant. The designations of the officials within the Sub-Directorate: Civil Aviation Freight Logistics are Deputy Director: Civil Aviation Freight Logistics and Assistant Director: Civil Aviation Freight Logistics. In terms of the agreed upon and signed Job Descriptions, the functions enumerated below are their key areas of responsibilities:
3. development and implementation of relevant frameworks, strategies and plans for civil aviation freight logistics system;
4. provide strategic support to programmes within the Branch: Civil Aviation as well as the Department of Transport, relevant fora at national, regional and international levels;
5. manage and control the Sub-Directorate; and
6. coordination and integration of civil aviation freight logistics system with other transport infrastructure planning and broader planning.
7. The Sub-Directorate became fully operational as from 2015/16 financial year (FY) onwards following the appointment of the Deputy Director. Subsequent Business Plans of the Department of Transport featured the following targets, which were / are being carried out:
8. strategic analysis on airfreight industry landscape whose aim was to gather intelligence from which priority intervention areas were affirmed [target for 2015/16 FY];
9. sieved endorsement from relevant authorities to explore the consolidation of supply chain for regional bound exports [target for 2016/17 FY];
10. facilitated the modernization of text for the Bilateral Air Safety Agreement (BASA) between South Africa (SA) and United States of America (USA), which seeks to ease access of aeronautical products / services from SA [target for 2017/18 FY];
11. working with key government Departments and aviation entities, drive the compilation of Implementation Procedure for Airworthiness (IPA) to pave way for the conclusion of revised BASA between SA and USA [2018/19 – onwards];
12. working with key government Departments and aviation entities, initiated a dialogue with the European Union (EU) aimed at concluding similar BASA [target for 2019/20 - onwards]
13. The role of the Department of Transport in airfreight development is to champion the vision set forth in the National Freight Logistics Strategy (NFLS). Its integral objective is on reducing the cost of doing business in South Africa through seamless movement of goods and services (for an example the cost of logistics is currently estimated at approximately 15% of the GDP compared to 8% international best practice).

Furthermore, the NFLS identified strategic intervention areas across all modes wherein priority attention should be focused. These are aiming at eliminating system blockages, increase (air) cargo movement capacity and improve service delivery in order to increase commodity throughput, growing the sub-sector while reducing transaction costs.

Some of the NFLS identified strategic interventions designed to turning around airfreight have been translated into action that is currently unfolding – please refer to point (c) above. In order to ensure a holistic approach, the DOT interfaces on a regular basis with government Departments and the industry at multi stakeholder fora including the Joint Aviation Steering Committee (JASC) and the South African Region Aircraft (SARA).

1. The short, medium and long term goals of the Department of Transport relating to airfreight are:

Short term

* Consider and improve existing legally binding instruments archived with DIRCO with an objective of improving their offerings;

Medium

* Engage Original Equipment Manufacturers (OEMs) with a view to secure export markets for South African manufactured goods and services;

Long term:

* Promote diversification of exports to traditional and new markets to support growth and employment in the country;
* Bilateral Air Safety Agreements (BASAs) are signed by the political principals and they come into force;
1. the current salary notches of the two middle and junior managers are as follows:
* Deputy Director: Civil Aviation Freight Logistics is R 882 048.00 per annum since appointment date in March 2014;
* Assistant Director: Civil Aviation Freight Logistics is R 470 040.00 per annum since appointment date in September 2018

g) In line with the Treasury prescripts, budget is allocated to the Directorate: Aviation Industry Development and Airfreight which hosts amongst others the Sub-Directorate: Civil Aviation Freight Logistics. Over the past three financial years (FY) the breakdown of Operational Budget availed to execute all the Directorate functions including airfreight is as follows:

* 2016/17 FY = R 370 000, 00
* 2017/18 FY = R 586 000, 00
* 2018/19 FY = R 221 000, 00