



# ANNUAL PERFORMANCE PLAN

2023/24

# Railway Safety Regulator

## Annual performance plan

### 2023/24

The Annual Performance Plan 2023/24 for the Railway Safety Regulator (RSR) is compiled with the latest available information from departmental and other sources.

Some of this information is unaudited or subject to revision.  
For more information, please contact:

**Railway Safety Regulator**  
**P O Box 11202**  
**Centurion, 0051, South Africa**  
**Tel: +27 10 495 5391**

Annual Performance Plans for each financial year within the performance cycle will also be published on the RSR website [www.rsr.org.za](http://www.rsr.org.za).

**ISBN:**  
**RP:**

**Disclaimer:**

Users may apply or process this data, provided that the RSR is acknowledged as the original source of the data. Users must specify that the application and/or analysis is the result of the user's independent processing of the data and that neither the basic data nor any reprocessed version or application thereof may be sold or ordered for sale in any form whatsoever without prior permission from the RSR.

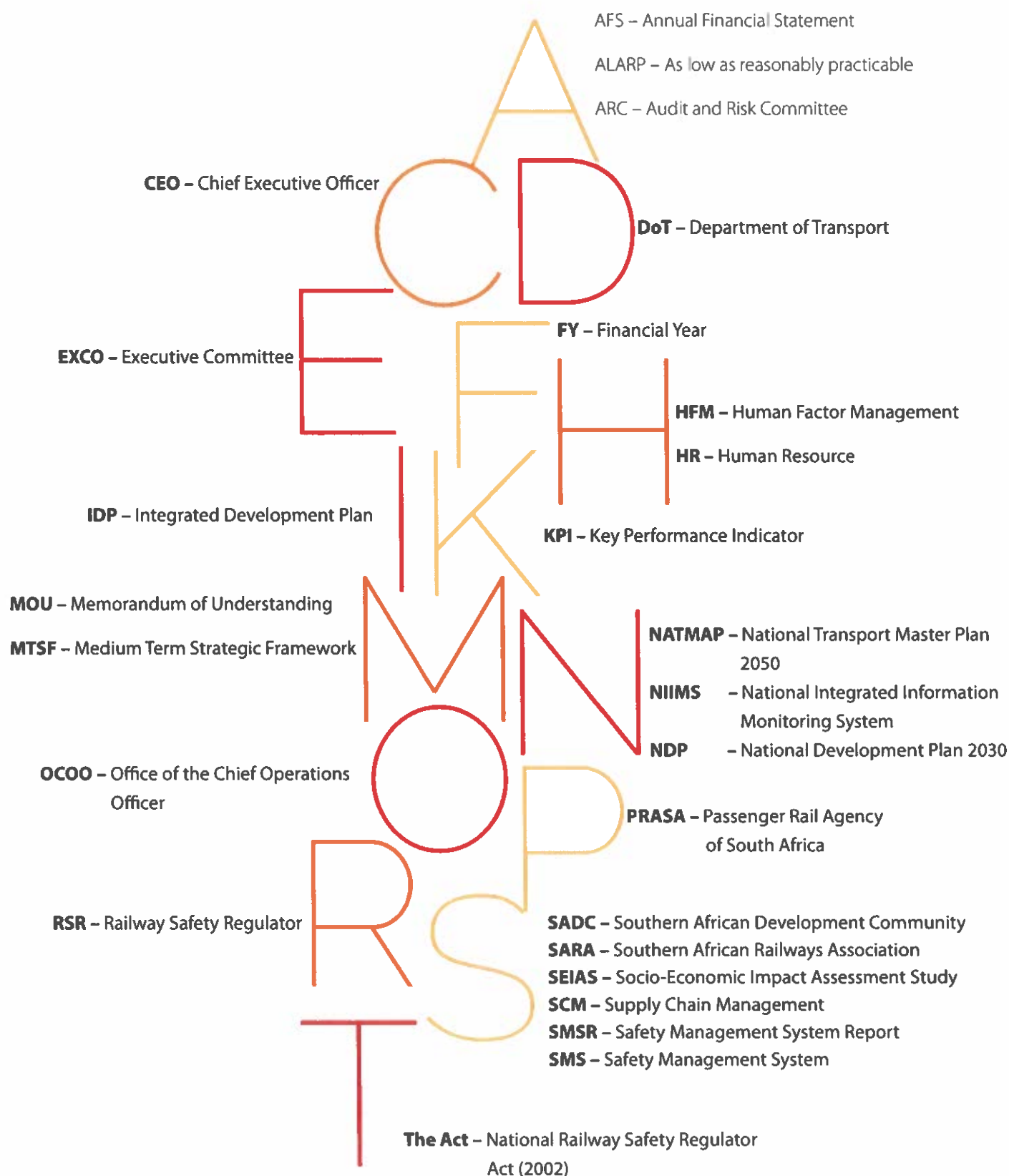


# Table of Contents

GLOSSARY OF TERMS.....	4
DEFINITIONS .....	5
MINISTER'S FOREWORD.....	6
CHIEF EXECUTIVE OFFICER'S OVERVIEW .....	8
OFFICIAL SIGN-OFF.....	10
<b>PART A: OUR MANDATE.....</b>	<b>11</b>
CONSTITUTIONAL MANDATE.....	12
LEGISLATIVE AND POLICY MANDATES.....	12
ALIGNMENT TO THE NATIONAL DEVELOPMENT PLAN AND MEDIUM-TERM STRATEGIC FRAMEWORK.....	13
<b>PART B: OUR STRATEGIC FOCUS.....</b>	<b>19</b>
VISION.....	20
MISSION .....	20
VALUES .....	20
REGULATORY PRINCIPLES .....	21
OUR STRATEGIC DRIVERS .....	21
SITUATIONAL ANALYSIS.....	21
<b>PART C: MEASURING OUR PERFORMANCE .....</b>	<b>31</b>
STRATEGIC RISK PROFILE.....	32
INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION.....	34
BUDGET INFORMATION .....	41
<b>PART D: TECHNICAL INDICATOR DESCRIPTION .....</b>	<b>43</b>
NOTES .....	53




# Glossary of terms



# Definitions

<b>CSM-RA</b>	<b>Common Safety Method for Risk Assessment</b> gives a harmonised framework for the risk assessment process through the prescription of Hazard Identification, Risk Analysis and Risk Evaluation. This CSM gives a broad framework for the use of risk assessment methodologies to assess changes to the railway system.
<b>RM3</b>	<b>Railway Management Maturity Model</b> is a tool for assessing and managing a railway operator's ability to control safety risks, to help identify areas for improvement and provide a benchmark for year-on-year comparison. The RM3 is helping guide the rail operator towards excellence in safety risk management.
<b>SMS</b>	<b>Safety Management System</b> is a formal framework for integrating safety into day-to-day railway operations and includes safety goals and performance targets, risk assessment, responsibilities and authorities, rules and procedures, monitoring and evaluation processes and any matter as prescribed.
<b>SPCAM</b>	<b>Safety Permit Conformity Assessment Methodology</b> is applied by Railway Safety Inspectors in the assessment of the adequacy of an operator's Safety Management System (SMS). It is also used by the operator to ensure that their application conforms to the minimum requirements of the RSR.
<b>SRM</b>	<b>Safety Risk Model</b> consists of a series of fault tree and event tree models representing many hazardous events (HEs) that collectively define the overall level of risk on the railway. It provides a structured representation of the causes and consequences of potential accidents arising from railway operations and maintenance.
<b>Note:</b>	<p>The Safety Management System of an operator is at the core of a safety permit. All the above-mentioned tools (CSM-RA, RM3, SPCAM, SRM) deal with ensuring that an operator's SMS is robust enough to mitigate against risks arising from railway operations, which will ensure continuous safety improvement and the achievement of excellence in railway operations.</p> <p>The SRM will provide the RSR and the industry with a holistic view of the industry's collective and individual risks and will serve as a decision-making tool for both the RSR and operator for risk control measures to be implemented.</p>

# Minister's foreword

 Our rail network exists for the benefit of those who utilise them – passengers and freight customers. In turn, this benefit extends to the wider society by contributing to productivity and economic growth. Therefore, the safety and efficiency of the South Africa's railway network matter to everyone. It is for this reason that it is disheartening to see the destruction of the South African rail industry.

Substantial efforts are being made to counter these and to ensure the rehabilitation of the rail sector. Investments are being made to revitalise the rolling stock, signalling, and infrastructure. Not only are these investments meant to upgrade the sector but also to engender confidence in the rail transportation services available in the country.

The Railway Safety Regulator (RSR) exists to oversee railway safety in South Africa and its priority is and will always be the safety of the sector. The RSR promotes safe railway operations by issuing safety permits to railway operators with an established Safety Management System (SMS) that meets the requirements of the National Railway Safety Regulator Act No. 16 of 2002 as amended and the Safety Management System (SMS) Determination; with the aim of ensuring improved rail services. Through the ongoing development of regulations and safety standards, the RSR ensures that necessary innovations and improvements to infrastructure does not compromise safety.

Rail safety is integral to the country's socio-economic growth and development and the RSR's vision is centred on ensuring the safety of people and freight. That is why it gives me great pleasure to hear that the organisation is combating safety issues within the rail environment by improving the safety culture through Railway Management Maturity Matrix (RM3) Assessments.

Through continued efforts to promote safety on trains, I have no doubt in my mind that rail will be the number one mode of public transport as envisaged.

Given that rail is everyone's responsibility, the RSR cannot endeavour to address all the challenges that exist in the sector in isolation. I am, therefore, encouraged to see that the Regulator has and will continue to partner with like-minded stakeholders to create awareness of critical rail safety initiatives and efforts. The RSR also plans to expand its visibility among stakeholders and industry role players and raise awareness to enhance the understanding of rail safety to promote safe railway behaviour.

Considering the safety related incidents in the country, the RSR saw it politic to join forces with like-minded stakeholders such as the rail operators, South African Police Services and community fora, to embark on safety awareness campaigns. Such campaigns were and are conducted as a direct result of engagements with stakeholders and are rolled out in high density areas such as train stations and taxi ranks.

While I am pleased with all the efforts being made to restore confidence in the rail sector, I cannot emphasise enough that much more still has to be done. The RSR is key to ensuring that safety remains the foundation of South African railway operations. I have scrutinised the RSR's Annual Performance Plan 2023/24 and I am confident that the Regulator together with the operators will address the challenges in the rail environment.

  
Ms S Chikunga, MP

**MINISTER OF TRANSPORT**





# Chief executive officer's overview

With passenger rail slowly gaining traction in urban areas, the International Energy Agency predicts that passenger and freight activity will more than double by 2050. This, will of course, signify economic progress which impacts job creation and eliminating poverty; two of the National Development Plan's key priorities.

To align itself with global trends that will contribute towards making railway the number one mode of transport from city to city, the Railway Safety Regulator (RSR) is in the process of developing several tools to strengthen the regulatory regime. Implementation of the Safety Risk Model (SRM), Railway Management Maturity Model (RM3), Safety Permit Conformity Assessments (SPCAM), Common Safety Method for Risk Assessments Methodology (CSMRA) and the Common Safety Method for Supervision is underway and will enhance efforts by the Regulator to ensure the required compliance by operators in the rail sector.

To ensure the highest levels of governance, ethics, integrity and to support the efforts by government to address any form of corruption, the RSR has developed a Code of Ethics and Conduct and implemented mandatory declarations of financial interests and gifts for all staff and the Board of Directors. Corruption hinders progress and deters the public from trusting its leaders. The Regulator, therefore, commits to address such hinderances to position rail as effective, reliable, efficient, safe, and sustainable.

President Cyril Ramaphosa proposed high-speed rail as an alternative mode of transport between South Africa and the South African Development Community (SADC) during his 2019 SONA address. The RSR aims to provide direction on the high-speed rail project through the high-speed rail standard developed jointly by the Regulator and the railway industry. This project will ensure that South African rail offers the safest and most economically and socially viable mobility solution.

As the custodian of rail safety in South Africa, the Regulator is steadfast in its commitment to improve safety in the rail industry both for the benefit of the users of rail transportation and the economic benefit of the country. Considerable effort has been made in the recent past to invigorate the rail sector by investing in new rolling stock, signalling equipment, infrastructure and improving processes and efficiencies. These investments are much needed and will impact economic growth and boost the South African economy, but more importantly, it will significantly improve safety within the rail industry.

I am confident that this Annual Performance Plan demonstrates the Regulator's commitment to address the challenges and demands of the South African rail sector.



**Ms Tshepo Kgare**

CHIEF EXECUTIVE OFFICER





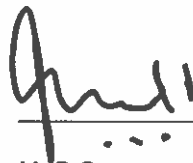
# Official sign-off

It is hereby certified that this Annual Performance Plan:

- Was developed by the Management of the RSR under the guidance of the Minister of Transport.
- Considers all relevant policies, legislation, and other mandates for which the RSR is responsible for.
- Accurately reflects the impact and outcomes which the RSR will endeavour to achieve over the 2023/24 financial year.



Ms M Williams  
**EXECUTIVE: MEDIA AND COMMUNICATIONS**



Mr D Owaga  
**ACTING CHIEF OPERATING OFFICER**



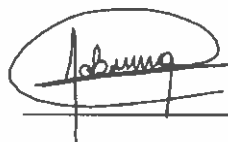
Mr A Tjatji  
**ACTING CHIEF FINANCIAL OFFICER**



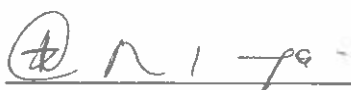
Mr M Selaledi  
**EXECUTIVE: RISK AND STRATEGY**



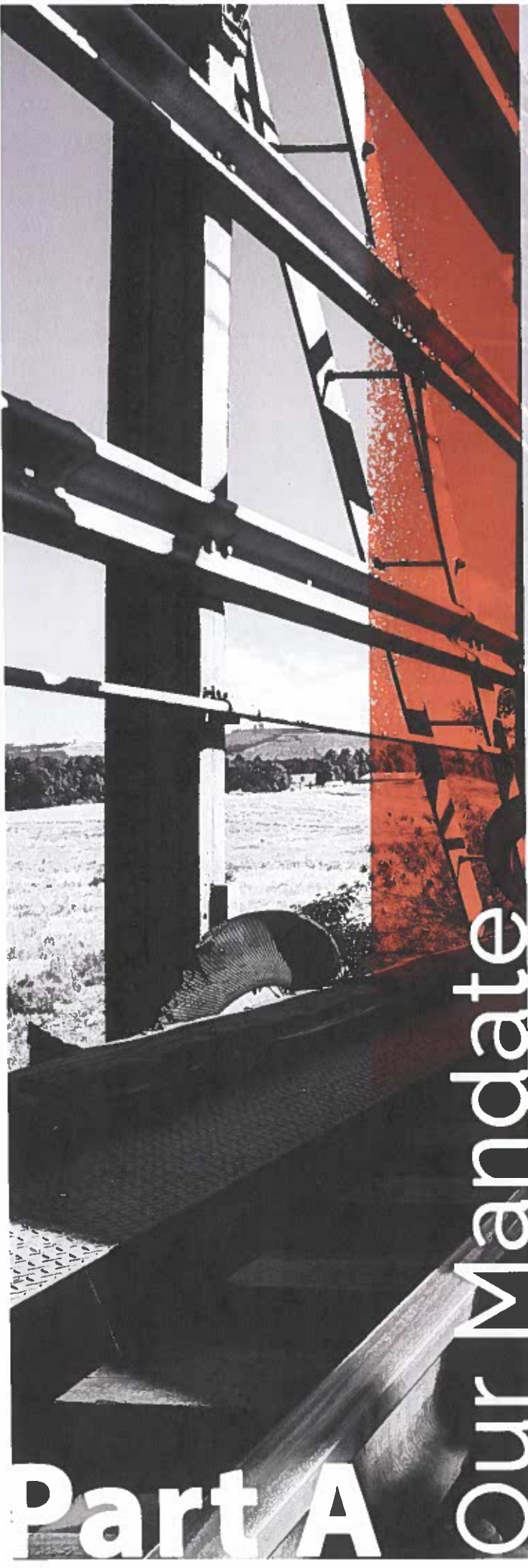
Ms Tshepo Kgare  
**CHIEF EXECUTIVE OFFICER**



Mr BJ Nobunga  
**CHAIRPERSON: RSR BOARD**



Ms S Chikunga, MP  
**MINISTER OF TRANSPORT**



# Part A

## Our Mandate



# Constitutional mandate

The Constitution identifies the legislative responsibilities of different levels of government with regards to airports, roads, traffic management, and public transport. Transport is a function that is legislated and executed at all levels of government. The implementation of transport functions at the national level takes place through public entities which are overseen by the Department of Transport. The RSR is responsible for ensuring compliance with elements relevant to the RSR and three corporate governance aspects of the Constitution of the Republic of South Africa as it relates to the following:

- The RSR observes and adheres to the principles of co-operative government and intergovernmental relations which is supported by its work on the rail reserve regulations and harmonisation of the Southern African Development Community (SADC) railways through common safety methods.
- Promotion of the rights of people in South Africa affirms the democratic values of human dignity, equality and freedom. The achievement of safer railways reinforces the values contained in the Bill of Rights.

## Legislative and policy mandates

Our railway safety functions are driven by legislation. We are accountable to Parliament and the public 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 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 with the objectives and requirements of SADC for the operation of railways.

### Legislative mandate

Railways are a critical component of the transportation network in South Africa. The importance of this mode of transport is indisputable as it allows for the movement of approximately 200 million people and 148 billion tons of freight on an annual basis.

It is the recognition of this important role that railways play in the socioeconomic development of South Africa and the concern of the safety of this medium of transportation that necessitated the creation of the RSR.

The RSR was established in terms of the National Railway Safety Regulator Act No. 16 of 2002 as amended. The organisation exists to institute a national regulatory framework for South Africa and to monitor and enforce compliance in the rail sector. The primary legislative mandate of the RSR is to oversee and enforce safety performance by all railway operators in South Africa including those of neighbouring states whose rail operations enter South Africa. In terms of the Act, all operators are primarily responsible and accountable for ensuring the safety of their railway operations.

### Other legislative mandate

The RSR is a statutory organisation and primarily derives its mandate from its constitutive legislation, the National Railway Safety Regulator Act No. 16 of 2002 as amended. The RSR must furthermore comply with legislative prescripts that have an impact on the RSR's business/operations, including but not limited to the:

- Occupational Health and Safety Act (OHSA), 1993 (Act no 85 of 1993) (as amended);
- Legal Succession to the South African Transport Services Act, 1989 (Act no 9 of 1989) (as amended);
- Public Finance Management Act, 1999 (Act no 1 of 1999) (as amended);
- National Environmental Management Act, 1998 (Act no 107 of 1998); (as amended);
- National Disaster Management Act, 2002 (Act no 57 of 2002); (as amended)
- Protection of Personal Information Act, 2013 (Act 4 of 2013);
- Promotion of Access to Information Act, 2000 (Act no 2 of 2000) (as amended);
- Various labour legislation, including the Labour Relations Act, 1995 (Act no 66 of 1995);
- Basic Conditions of Employment Act 1997 (Act no 75 of 1997), Skills Development Act;
- 1998 (Act no 97 of 1998), Employment Equity Act, 1998 (Act no 55 of 1998);
- Protected Disclosures Act, 2000 (Act no 26 of 2000) (as amended); and
- Promotion of Administrative Justice Act, 2000 (Act no 3 of 2000).

### Policy mandate

The RSR as a state entity is also governed and directed by various policies developed and approved by the South African government at varying spheres. The following are some of the policy mandates that guide the work of the RSR:

- The National Development Plan 2030 (NDP);
- The National Railway Policy 2022
- The National Transport Master Plan 2050 (NATMAP);
- The Revised White Paper on National Transport Policy, 2018;
- The New Growth Path Framework; and
- Various national and international policies within the railway sector.

## Alignment to the NDP and MTSF

The Medium-Term Strategic Framework (MTSF) is the government's high-level strategic document to guide the five-year implementation and monitoring of the NDP 2030. The MTSF flows from the 2019 electoral mandate of the governing party and identifies the priorities to be undertaken during the 2020-2025 financial years to put the country on a positive trajectory towards the achievement of the 2030 vision. It sets targets for implementation of the priorities and interventions for the five-year period and states the outcomes and indicators to be monitored.

## **The National Development Plan 2030**

The National Development Plan (NDP) is a plan for the country (South Africa) to eliminate poverty and reduce inequality by 2030 through uniting South Africans, unleashing the energies of its citizens, growing an inclusive economy, building capabilities, enhancing the capability of the state and leaders working together to solve complex problems.

### **High-level objectives to be achieved by 2030**

The high-level objectives of the NDP are to:

- Reduce the number of people who live in households with a monthly income below R419 per person (in 2009 prices) from 39 per cent to zero; and
- Reduce inequality, as measured by the Gini Coefficient, from 0.69 to 0.6.

#### **Enabling milestones**

The high-level objectives of the NDP are to:

- Reduce the number of people who live in households with a monthly income below R419 per person (in 2009 prices) from 39 per cent to zero; and
- Reduce inequality, as measured by the Gini Coefficient, from 0.69 to 0.6.

#### **Enabling milestones**

Of the nine-teen (19) enabling milestones listed in the NDP 2030, the RSR contributes to the six (6) milestones listed below:

1. Increase employment from 13 million in 2010 to 24 million in 2030.
2. Establish a competitive base of infrastructure,

human resources and regulatory frameworks.

3. Ensure that skilled, technical, professional and managerial posts better reflect the country's racial, gender and disability makeup.
4. Establish effective, safe and affordable public transport.
5. Realise a developmental, capable and ethical state that treats citizens with dignity.
6. Play a leading role in continental development, economic integration, and human rights.

### **Critical actions**

Of the ten (10) critical actions listed in the NDP 2030, the five (5) listed below are the actions that the RSR contributes to:

1. A social compact to reduce poverty and inequality and raise employment and investment.
2. A strategy to address poverty and its impacts by broadening access to employment, strengthening the social wage, improving public transport and raising rural incomes.
3. Public infrastructure investment at 10 per cent of the gross domestic product (GDP), financed through tariffs, public-private partnerships, taxes and loans, and focused on transport, energy and water.
4. Interventions to ensure environmental sustainability and resilience to future shocks.
5. New spatial norms and standards – densifying cities, improving transport, locating jobs where people live, upgrading informal settlements and fixing housing market gaps.

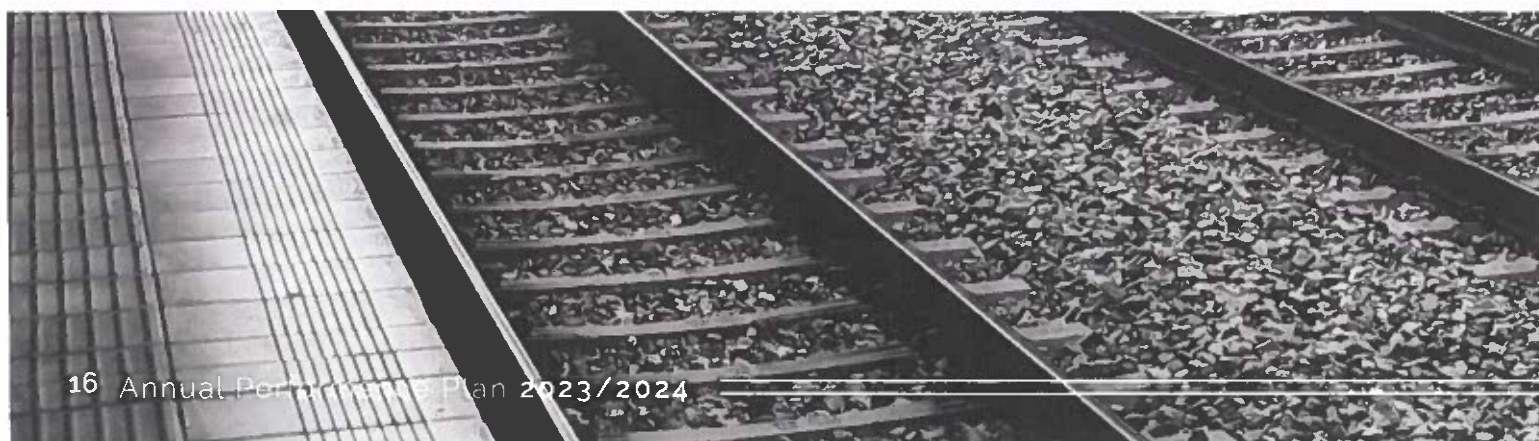


# RSR's contribution to government priorities

The sixth administration of government identified seven priorities focusing on monitoring outcomes, indicators and targets towards the achievements of the medium-term strategic framework. RSR's contribution towards the priorities are:

PRIORITY	DESCRIPTION	RSR CONTRIBUTION
<b>Priority 1</b>	<b>Building a capable, ethical and developmental state</b>	The RSR has developed the following: <ul style="list-style-type: none"> <li>• Ethics Management Strategy</li> <li>• Fraud and Corruption Prevention Framework</li> <li>• Financial Sustainability Plan</li> <li>• Safety Permit Fee Model</li> </ul>
<b>Priority 2</b>	<b>Economic transformation and job creation</b>	The RSR utilises the procurement spend to target designated groups such as women, youth and small enterprises.
<b>Priority 3</b>	<b>Education, skills and health</b>	The RSR sets aside budget for external bursaries for critical skills required in the rail sector. The RSR also employs interns to provide them with work experience and to increase their future employability in the job market. The RSR provides bursaries to internal staff to ensure development and value-add to the industry.
<b>Priority 4</b>	<b>Consolidating the social wage through reliable and quality basic services</b>	No direct contribution.
<b>Priority 5</b>	<b>Spatial integration, human settlements and local government</b>	The RSR constantly engages with the South African Local Government Association (SALGA) as a nodal point to municipalities: The Regulator contributes to this priority through the initiatives listed below: <ul style="list-style-type: none"> <li>• Rail Reserve Regulation</li> <li>• Education and awareness campaigns</li> <li>• Community involvement of people interested and affected by railway operations</li> </ul>

PRIORITY	DESCRIPTION	RSR CONTRIBUTION
Priority 6	<b>Social cohesion and safe communities</b>	<p>The RSR is strengthening the rail regulatory framework through safety determinations, protocols and industry tools aimed at building an industry safety risk profile to support critical risk mitigation decisions that will result in safer railway operations. These interventions include:</p> <ul style="list-style-type: none"> <li>• Occurrence reporting categories published</li> <li>• Industry-wide hazard log</li> <li>• Railway risk matrix</li> <li>• Railway Management Maturity Model</li> <li>• Human Factor Management Capacity Building Framework</li> <li>• Verbal Safety Communication Determination developed</li> <li>• Interface Agreements Framework</li> <li>• National Rail Communicators Forum</li> </ul>
Priority 7	<b>A better Africa and world</b>	<p>The RSR is a member of the Southern African Railways Association (SARA), an association that aims to promote the harmonization of the railway safety regime in the Southern African Development Community (SADC) railway operations. The Regulator plays a pivotal role in ensuring that the common safety Standards are adopted at a regional level, thus ensuring interoperability among member states.</p>
<b>In implementing the MTSF Government will factor-in the interests of Woman, Youth and People with disabilities</b>		<p>48 % Female employees (63 % Female representation in EXCO) 10 Interns 1 person with disability</p> <p>The RSR procurement spend has a set target to procure through women owned companies</p>



# RSR's contribution to the State of the Nation Priorities

Over and above the stated policies, the RSR is expected to contribute and support government's programmes including standing together against corruption and contributes to the government's key priorities that were announced by President Cyril Ramaphosa during the 2023 State of the Nation Address (SONA) . The 2023 SONA is titled "Working together to ensure that no one is left behind" and it contains numerous initiatives from electricity generation, to economic infrastructure to social services. The four key priorities discussed below clearly articulate the agenda of the government. Each tier of government, as well as public entities are required to base their planning for the MTSF on these priorities and outcomes. The RSR will contribute to the following key areas:

<b>PRIORITY: Loadshedding</b>	<b>RSR'S CONTRIBUTION</b>
The national state of disaster will enable government to implement practical measures to support businesses in the food production, storage and retail supply chain, including for the rollout of generators, solar panels and uninterrupted power supply.	The RSR will submit inputs where required to the Department of Transport in the development of Rail specific directions for the State of Disaster.
<b>PRIORITY: Supporting women-owned businesses</b>	<b>RSR'S CONTRIBUTION</b>
In support of women's economic empowerment, government will direct at least 40% of procurement spend to women-owned businesses.	The RSR has set specific targets for procurement from women-owned enterprises which will culminate in an improvement in its BBBEE rating.
<b>PRIORITY: Structural reforms</b>	<b>RSR'S CONTRIBUTION</b>
Our rail network has suffered from many years of underinvestment, lack of maintenance, criminal activity and inefficiency. To address this, last year, we adopted the National Rail Policy to guide the modernisation and reform of the rail sector.	The RSR supports the revitalisation of the rail network and the National Rail Policy through the development regulatory instruments that will enable strategic initiatives contained in the National Rail Policy.
<b>PRIORITY: Strengthening the fight against corruption</b>	<b>RSR'S CONTRIBUTION</b>
Government has zero tolerance for corruption and is working to rebuild the capacity of law enforcement agencies and other institutions that were weakened by state capture and corruption.	The RSR has developed a Code of Ethics and Conduct, furthermore implemented mandatory declaration of financial interests and gifts for all staff. The RSR has a Whistle Blowing hotline for reporting of any alleged or suspected fraud and/or corruption.

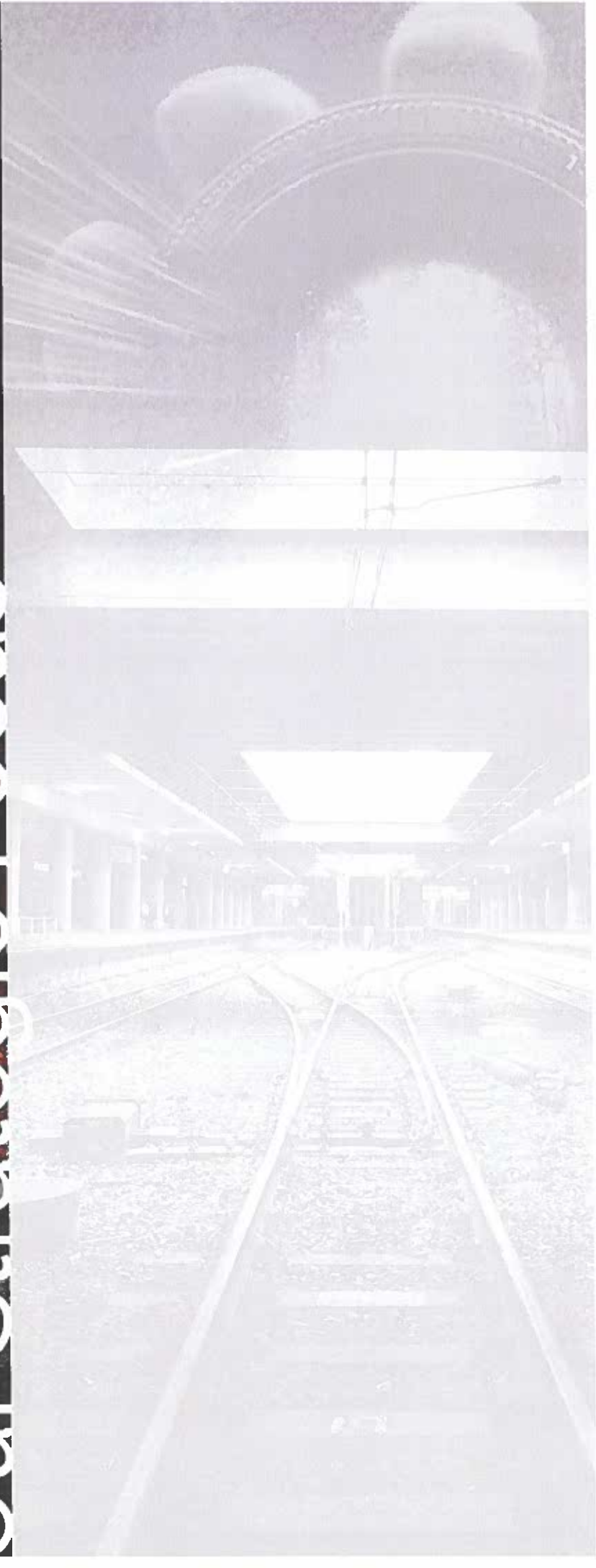
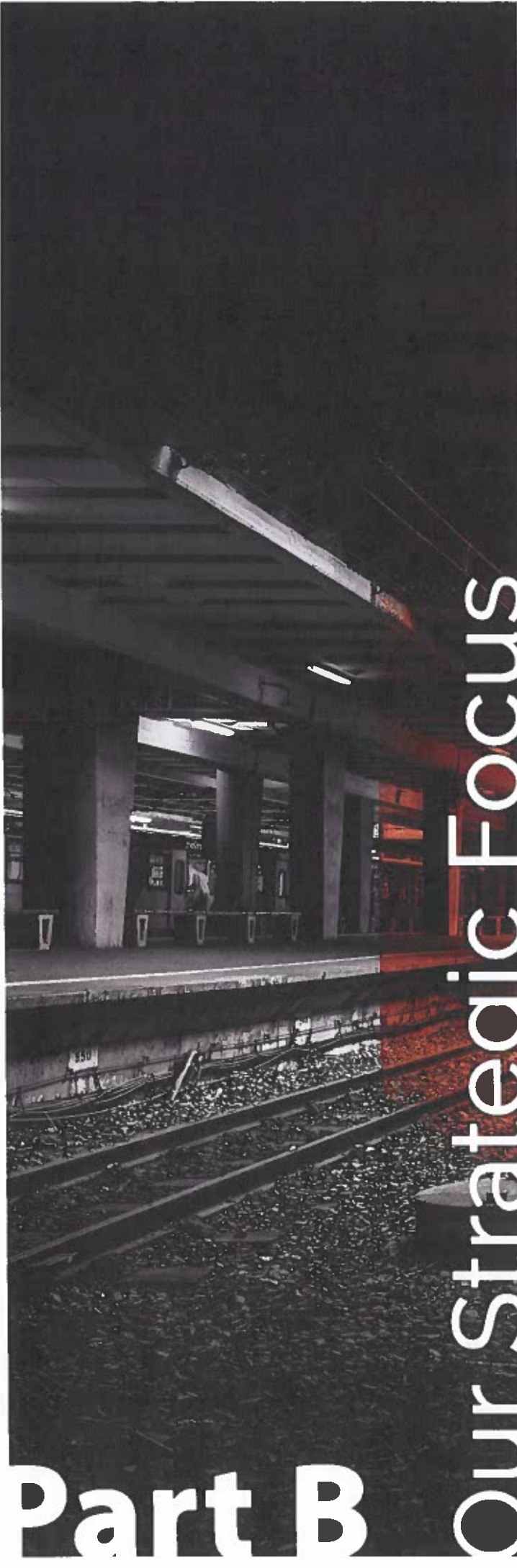




# Alignment to DoT priorities

The National Annual Strategic Plan of the Department of Transport sets out government's priorities and target for a particular year to guide the development of APP's and operational plans. RSR will contribute to these priorities as follows:

OUTCOME	INTERVENTION	INDICATOR	RSR CONTRIBUTION
Increase access to affordable and reliable transport systems.	Implement comprehensive rail modernisation and upgrade programme	Rolling stock expansion and upgrade	Technology reviews conducted and no-objection approvals granted to operators
	Plan to facilitate transition from road freight to rail and the participation of private sector	Private Sector Participation Framework	Interface agreement Standard developed and piloted with operators and SALGA
Affordable, safe and reliable public transport	Percentage of national usage of public transport	<ul style="list-style-type: none"> <li>• Modernisation of the existing rail network and system through the Station</li> <li>• Modernisation Programme</li> </ul>	Technology reviews conducted and no-objection approvals granted to operators



**Part B**

**Our Strategic Focus**

# Our strategic focus

Our rail networks exist for the benefit of those who utilise them – passengers and freight customers. In turn, this benefit extends to the wider society by contributing to productivity and economic growth. Therefore, the safety and efficiency of the country's railway networks matter to everyone. Given that safety is integral to the country's socio-economic growth and development, the RSR's vision is centred on ensuring the safety of people and freight:

## Vision

Safe, reliable, and sustainable railway operations recognised globally.

## Mission

To oversee and promote safe railway operations through appropriate support, monitoring and enforcement, guided by an enabling regulatory framework.

## Values

Our attitudes and behaviour are guided by the following principles:





# Regulatory principles

The regulatory life cycle includes the understanding of risks within the rail environment, the development of the regulatory instruments, implementation, review, and analysis of the impact of the regulatory changes. When introducing changes to the regulatory environment, the RSR aims to focus on ensuring the following:

- We introduce world class regulatory instruments that have been adapted to the South African environment
  - We encourage collaboration with the rail industry in improving railway safety
  - We endorse the principle to reduce risk to “as low as reasonably practicable” (ALARP)
  - We support a cost-effective Regulatory Framework; and
  - We are service delivery oriented while remaining responsive by providing railway safety oversight.
- **Good governance and clean administration:** The organisation is committed to excellence and to practicing the highest standards of ethical and accountable behaviour at all levels within the organisation.
  - **Financial sustainability:** The management of the RSR in a fiscally prudent and sustainable manner is an important cornerstone in carrying out its mandate.
  - **Improved stakeholder services:** Ensuring safe railway operations is a collaborative effort that requires all stakeholders to play their part in a consistent and meaningful manner linked to their mandate.

## Situational analysis

## Our strategic drivers

The strategic drivers are the elements that form the building blocks of the Strategic Plan. The drivers influence the plans and aspirations of the organisation which will create value for the stakeholders and employees. The strategic drivers include the following:

- **Risk-based approach to safety:** The enhancements to the regulatory framework are all aimed at understanding the safety risks within the environment and ensuring that adequate mitigations are put in place to reduce the risk to “as low as reasonably practicable”.

### Performance environment

The organisation exists to institute a national regulatory framework for South Africa and to monitor and enforce compliance in the rail sector.

The RSR, in addressing its legislative mandate, remains critical for the achievement of socio-economic goals of society. The Regulator exists to oversee railway safety in South Africa and neighbouring countries whose rail operations enter SA and ensures that all those involved in the provision of rail transport take responsibility for safety. To achieve this goal and promote safe railway operations, the RSR issues safety permits to railway operators with an established Safety Management System (SMS) that meets the requirements of the Act and the Safety Management System (SMS) Determination. The SMS Determination (2018) stipulates the format, form and content of a

safety management system that is required for the different categories and types of safety permits. A railway SMS is a formal framework that integrates safety into the day-to-day railway operations and includes safety goals and performance targets, risk assessment responsibilities and authorities, rules and procedures, monitoring and evaluation processes, etc. The overall purpose of the SMS is to ensure that railway organisations achieve their business objectives in a safe manner.

During the previous financial year, the RSR has embarked on a process of reviewing the SMS Determination for efficiency and continuous improvement. Reliance on manual train authorisations has contributed to numerous railway occurrences, in response, the Regulator further developed the Verbal Safety Critical Communication Protocol aimed at providing a robust communication framework for effective verbal safety critical communication (VSCC)

The performance environment of the RSR is impacted by developments in the global, regional and national environment.

### **Global trends**

Railway transport is vital for society and is the backbone of a sustainable economy. Given that the global railway landscape is evolving at a rapid pace, railway services should be able to respond to expected growth in the demand for transport for freight and

passengers. In meeting these demands, the global rail sector is adopting innovative solutions that will contribute to the delivery of safe, secure, punctual, available, accessible, sustainable, integrated and seamlessly operated rail services.

To align itself with global trends, the RSR is in the process of developing the following tools to strengthen the regulatory regime: Safety Risk Model (SRM), while implementation of the following has commenced: the Railway Management Maturity Model (RM3), Safety Permit Conformity Assessments (SPCAM), Common Safety Method for Risk Assessments Methodology (CSMRA) and the Common Safety Method for Supervision.

### **Regional developments**

The National Rail Policy aims to position rail as affordable, competitive, effective, integrated, competitive, effective, reliable, safe, sustainable and valued.

The RSR will therefore support and participate in all opportunities to enhance the rail industry including Third party access programme and other areas to improve and promote safe railways.

During President Cyril Ramaphosa's 2019 SONA address, the president proposed high-speed rail as an alternative mode of transport between South Africa and the SADC, the National Rail Policy further stipulates that the DoT will develop a High-Speed



Rail (HSR) framework to provide the foundation for the prioritisation of HSR corridors in South Africa.

The RSR will therefore provide direction on the high-speed rail project through the high-speed rail standard developed jointly by the Regulator and the railway industry, work has commenced towards the development of this standard.

### **National developments**

On 23 March 2022, Cabinet approved the White Paper on National Rail Policy which intends to place rail on a sound footing to play a meaningful role as a backbone of a seamlessly integrated transport value chain able to make a meaningful contribution to the economy.

As stated in the White Paper, the Policy equally sets out government's remedial interventions to achieve rail renaissance in the country. This positions rail to contribute meaningfully to the country's economy and reduction in the country's harmful greenhouse gas emissions.

The key thrusts of this White Paper on National Rail Policy is enabling investment in our railways, with specific attention to the exploitation of rail's genetic technologies to achieve renaissance in the following market spaces: heavy haul, heavy intermodal, which includes double-stacked containers, contemporary urban and regional rapid transit, as well as higher-speed of 160 to 200km/h and high speed up to 300 km/h.

The Policy furthermore pronounces the introduction of the standard gauge infrastructure in the rail network, as well as rail economic regulation which will facilitate private sector participation in rail through regulated third-party access, among others. Such innovation has seen a mind-set shift in critical stakeholders who have made commitments and strives to invest in rail genetic technologies that will see improvements in the rail sector. The White Paper on National Rail Policy is set to further ensure that South African rail offers the safest and most economically, environmentally, financially, and socially viable logistics and/or mobility solution.

### **GENDER RESPONSIVENESS**

The RSR endeavours to expand the visibility of the Regulator among stakeholders, industry role players and raise awareness to enhance understanding of rail safety and promote safe railway behaviour. Considering the Gender Based Violence (GBV) incidents in the country, the RSR saw it politic to join forces with like-minded stakeholders such as the police, rail operators and community fora, to embark on safety awareness campaigns against GBV. Such campaigns are conducted as a direct result of engagements with stakeholders and are rolled out at high density areas such as train stations and taxi ranks.



The specific factors considered in the environmental scan are depicted in the table below:

**POLITICAL,ECONOMIC,SOCIAL,TECHNOLOGICAL, GLOBLAL,ENVIRONMENTAL AND LEGAL FACTORS (PESTGEL)**

<b>POLITICAL FACTORS</b>	<b>RSR RESPONSE</b>
<ol style="list-style-type: none"> <li>1. Institutional restructuring (RSR and Big 3 operators)</li> <li>2. Corruption levels</li> <li>3. Policy implications – increased private sector participation</li> <li>4. Monopolistic structure of the SA Rail industry; Socio-Economic impact.</li> <li>5. Integration of SADC</li> <li>6. Lawlessness – failure to provide security, violation of the rule of law</li> <li>7. Multi-level inter-governmental cooperations (SALGA, Spatial Planning, Transport Authorities etc.)</li> </ol>	<ol style="list-style-type: none"> <li>1. Strengthening the independence of the Regulator</li> <li>2. Strengthening good governance within the organisation</li> <li>3. Ensuring sufficient capacity to regulate the industry- Interface agreement standard</li> <li>4. Targeted enforcement action</li> <li>5. Harmonisation of regulatory practices and standards</li> <li>6. Integrated enforcement and escalation mechanisms</li> <li>7. Improved shareholder/stakeholder engagement</li> </ol>
<b>ECONOMIC FACTORS</b>	<b>RSR RESPONSE</b>
<ol style="list-style-type: none"> <li>1. Impact of pandemics - Shrinking economy impacting the number of operators</li> <li>2. Level of unemployment and poverty</li> <li>3. Ukraine-Russia War</li> <li>4. Operators reduce maintenance activities to keep afloat, asset deterioration, unsafe rail operations</li> </ol>	<ol style="list-style-type: none"> <li>1. Permit Fee model (measurable direct and indirect cost of risk)</li> <li>2. Partnerships for training in the rail sector and Internship programmes</li> <li>3. More inspections and directives</li> </ol>
<b>SOCIAL FACTORS</b>	<b>RSR RESPONSE</b>
<ol style="list-style-type: none"> <li>1. Population growth (encroachment, crowding,)</li> <li>2. Poor spatial planning – high level of urbanization</li> <li>3. Crime and security within the rail environment</li> <li>4. Poor safety culture impacting on implementation of regulations</li> <li>5. Post Covid Impact – Work from Home, Home Schooling, Social Distancing, new designs for contactless doors and turnstiles gates, ticketing etc</li> </ol>	<ol style="list-style-type: none"> <li>1. Rail Reserve Regulation - protection of the rail reserve</li> <li>2. Integrated Enforcement and Escalation Mechanisms</li> <li>3. Improve Safety Culture through Railway Management Maturity Matrix (RM3) Assessments</li> <li>4. Work-from-home Policy</li> </ol>



TECHNOLOGICAL FACTORS	RSR RESPONSE
<ol style="list-style-type: none"> <li>1. Technological advancement and Leadership – Technological Roadmaps for the Rail Industry with respect to rail safety</li> <li>2. Railway Renaissance – modern rail assets (Rolling Stock, Signalling, Telecommunication)</li> <li>3. Automation and 4IR technologies requiring new skillsets – Skills to keep with Technological Convergence and 4IR</li> <li>4. Proliferation of new technologies following NRP approval</li> </ol>	<ol style="list-style-type: none"> <li>1. Ensure interoperability (standardisation, alignment, etc) with new technologies</li> <li>2. Direct thematic discussions through conferences</li> <li>3. Upskilling to keep abreast with technological changes</li> </ol>
GLOBALISATION	RSR RESPONSE
<ol style="list-style-type: none"> <li>1. Ukraine-Russia War</li> <li>2. Global Integration</li> </ol>	<ol style="list-style-type: none"> <li>1. Implement International applicable Standards</li> <li>2. Promote Global Collaboration through MoUs and benchmarking</li> </ol>
ENVIRONMENTAL FACTORS	RSR RESPONSE
<ol style="list-style-type: none"> <li>1. Environmental hazards (decommissioning of old technologies as result of modernization, e.g., transformer oils/circuit breakers and asbestos).</li> <li>2. Energy consumption regulations</li> <li>3. Climate Change – KZN Floods</li> </ol>	<ol style="list-style-type: none"> <li>1. Promotion of rail as the safest mode of transport</li> <li>2. Enforcement of existing environmental legislation e.g., Euro 5 Environmental Design Requirements (i.e. South Africa's New Passenger Vehicle CO2 Emission Standards as per White Paper of January 2018), DoT's Green Transport Strategy for South Africa: (2018-2050)</li> <li>3. Maintain MOU with Department of Fisheries, Forestry and Environmental Affairs active and updated.</li> <li>4. Enforcement of dangerous goods movement legislation.</li> <li>5. Energy management strategies and energy savings plans for offices.</li> </ol>
LEGAL FACTORS	RSR RESPONSE
<ol style="list-style-type: none"> <li>1. Draft Railway Safety Bill</li> <li>2. Single Transport Economic Regulator (STER)</li> <li>3. National Railway Policy</li> <li>4. Any other Regulations impacting on RSR's mandate</li> <li>5. Higher Contraventions due to lost resources</li> </ol>	<ol style="list-style-type: none"> <li>1. Readiness to implement</li> <li>2. Develop a position paper for the RSR in respect of STER in so far as it impacts the RSR</li> <li>3. Implementation of applicable provisions NRP (acquisition of new skills and systems)</li> <li>4. Enforcement of Regulatory Framework</li> <li>5. Enforcement of laws</li> </ol>

# Organisational environment

In executing its legislative oversight mandate, the RSR performs the following duties and functions:

- Among others, the RSR executes human resource and financial support functions. The Human Resource department is responsible for ensuring institutional stability, collaboration and functional integration. Additionally, continual employee training and development is encouraged and facilitated. The Finance department provides financial management services and endorses all financial information which ensures compliance with the government budget cycle as well as qualitative improvement in how the RSR does business, making use of the Supply Chain Management (SCM) Policy as a base. The SCM system is premised on effectiveness, efficiency, transparency, competitiveness and fairness.
- **Issues and manages safety permits:** The SMS and concomitant safety permit provide the legal interface between the RSR and railway operators. This relationship enables and promotes continuous improvements in safe railway operations. Annually, the RSR reviews and evaluates the safety improvement plans and the SMSR submitted by operators, outlining directives and/or interventions to improve safety in the operational environment.
- **Conducts inspections and audits:** The RSR is mandated to play an oversight safety role in the railway industry. This role is undertaken through various strategic initiatives such as conducting safety-related audits and inspections of operators' activities. The key objectives of safety audits and inspections are to critically assess safety systems and processes employed by operators. These assessments provide in-depth knowledge and understanding of required interventions which the RSR provides to the operators to promote the attainment of safe rail operations.
- **Conducts safety assessments:** The RSR fulfils its safety oversight mandate on new works and technology developments by conducting safety assessments and providing approvals on all life cycle phases of railway projects to ensure that safety is not compromised in the revitalisation of the local rail industry. These regulatory safety assessments also aim to ensure that the impact of the intended changes is considered within the immediate environment of its application and from a systemic perspective encompassing the asset/operational system life cycle.
- **Investigates railway occurrences:** To achieve safety improvement and a reduction of occurrences, the RSR conducts investigations of occurrences that have led to major loss, including fatalities, injuries, and major damage to property to identify the root causes and prevent recurrences. Operators are obligated to report all occurrences to the RSR to ensure that analysis and review of incidences and the causes thereof are consolidated to assist the RSR in providing tools and strategic direction in addressing safe rail operations.
- **Develops regulations, safety standards and regulatory prescripts:** In terms of Sections, 29, 30 and 50 of the Act, the RSR is mandated to develop regulations, safety standards and related regulatory prescripts which form an integral part of the regulatory regime adopted for the oversight and enforcement of safe railway operations.

- **Issues notices of non-conformance and non-compliance:** The RSR issues operators with notices to indicate conditions within the operators' system that are deemed to be sub-standard or not in compliance with regulatory prescripts that ensure safe rail operations in terms of the adopted regulatory regime. Furthermore, the RSR impose penalties for non-compliance with the Act and safety standards adopted by the Board of Directors of the RSR.
- **Supports and promotes occupational health and safety and security:** To address occupational health and safety and security issues that impact on railway safety, the RSR conducts investigations, audits and inspections. Occupational health and safety legal requirements are included in the Human Factors Management Standard and are, therefore, continuously promoted during the technical workshops that are conducted by the RSR.
- **Co-operates with relevant organs of state to improve safety performance and oversight functions:** In compliance with the Act, the RSR concludes appropriate co-operative agreements with relevant state organs to give effect to co-operative government and inter-governmental relations as contemplated in Chapter 3 of the Constitution. The RSR has concluded 12 co-operative agreements, nine with various government departments and three with industry associations. The MOUs with government departments aim to eradicate duplication where there is dual jurisdiction and promotes collaboration while the agreements with industry associations aim to share best practices with the

industry and maintain an interactive approach in enforcing compliance with the view to result in an occurrence free environment. While all these agreements focus on different issues, the common denominator is to ensure rail safety.

- **Plays a leading role in the alignment of the railway safety regime of South Africa with those of the SADC:** The RSR plays a significant role in harmonising the rail safety regime within the SADC region. Through SARA, the RSR workshops and facilitates its South African standards, with the vision of adapting them at the SADC level, once approved by the SARA Board.
- **Data management and analysis:** This function is in support of Section 37 and 39 of the Act, which requires that all occurrences be reported to the RSR and in turn requires the RSR to establish a National Information and Monitoring System (NIMS). In terms of risk identification and management as well as strategic and operational planning, the RSR must maintain an accurate data management system. The data must be reliable and regularly analysed for risks. This enables the RSR to accurately identify the major safety-relevant risks that will require actions such as inspections, audits, investigations, awareness campaigns, etc., to increase the level of operational safety within the South African rail environment.

The Annual State of Safety Report, which is tabled in Parliament, remains the highlight of the data management and analysis function and provides insight into the current state of rail safety, areas of concern as well as the Regulator's actions and activities towards addressing challenges and root causes of occurrences.

Based on the abovementioned functions conducted by the organisation, the following SWOT Analysis indicates the strengths, weaknesses, opportunities, and threats that can significantly impact the success of the organisation.



### **STRENGTHS**

- Railway safety operational knowledge
- Only railway safety regulator in South Africa and most established in SADC
- Knowledge of railway safety regulatory instruments (application expertise)
- Well-developed common safety method for conformity assessment tool
- SMS utilisation (maximise)
- Well informed penalty management regime
- Skills that can be shared with the industry including the SADC region
- Well-developed and enforceable RSR Standards
- Partnerships with academic institutions and professional bodies



### **WEAKNESSES**

- Lack of an integrated information management system (IMS) which can inform the RSR of the effectiveness of the compliance monitoring activities
- Attraction and retention of critical/scarcе skills
- Sustainability of Revenue
- Reliance on the major operators for the major share of permit fees





## EXTERNAL OPPORTUNITIES

- Growth in rail investment will result in an increased demand for:
  - Rail Safety Assurance
  - Technology Audits
  - SMS Development System
  - Permits by new entrants
  - Technical training
- External training opportunities to increase safety awareness and competence
- New / innovative technologies will add safety capabilities to address safety concerns:
  - Digital transformation of rail:
    - Elevate passenger experience,
    - Optimise traffic management
    - Control prevents failures in critical assets
- Monitoring safety through innovative technological solutions- increased Penalty Fees
- Define the concept of safety to attract investment by enhancing the RSR's role
- Possibility of generating more Permit Fees
- Promote transparency and visibility of the RSR
- Extra mile as the RSR (activist regulator role: build synergy, collaboration, advisory role to minister
- Partner with international rail regulators to acquire skills both locally and transfer skills within the SADC region
- Generate revenue from consultancy fees
- Play a role in advancing rail as mode of transport of choice of citizens -fostering socio-economic inclusion and affordable transport costs
- Fostering rail as a safe mode of transport for citizens in collaboration with stakeholders

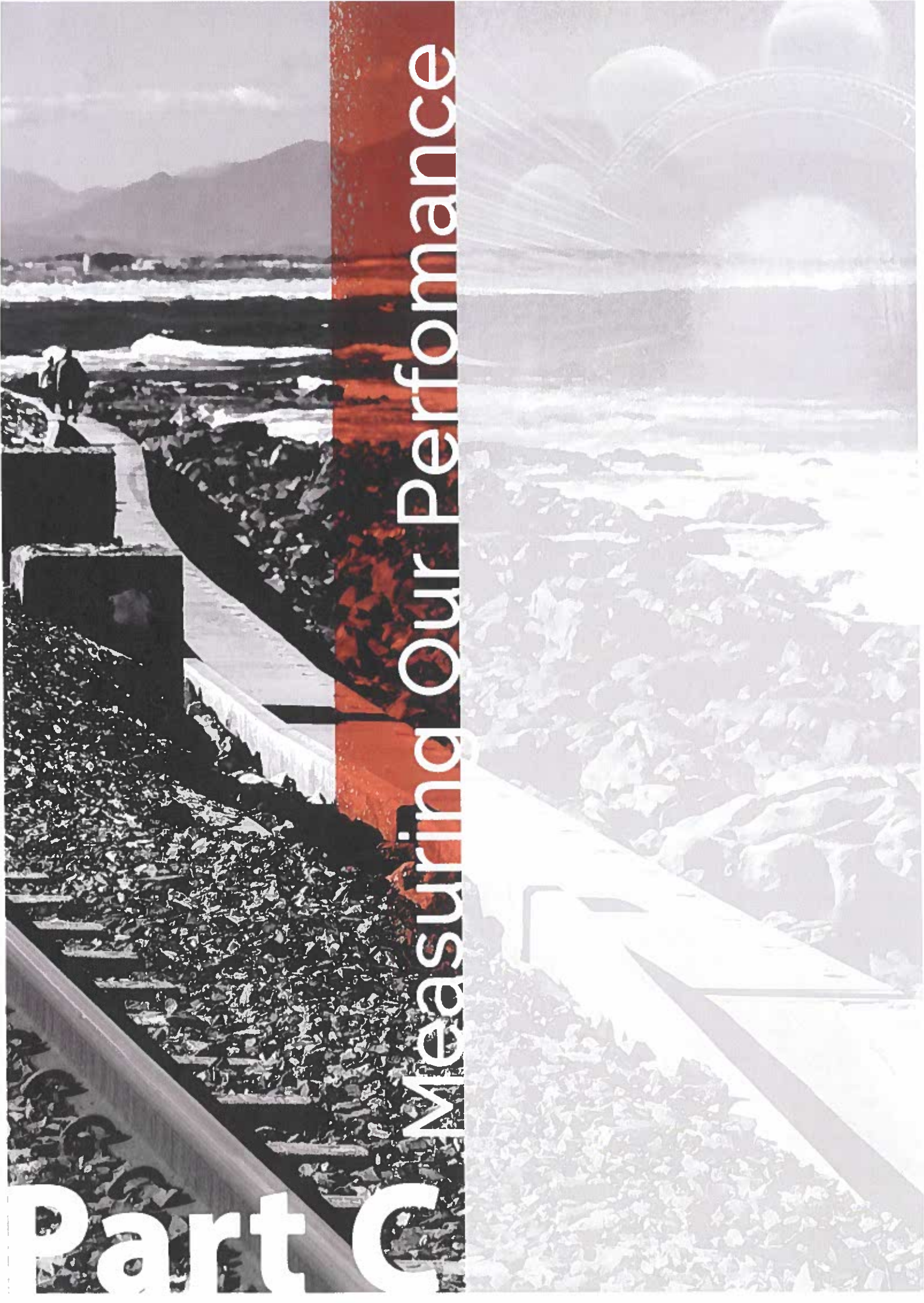


## EXTERNAL THREATS

- Encroachment puts pressure on the current system increasing the risk in securing rail reserve by operators
- Unsafe and inefficient railway environment restricts reduction in risks for railway employees, commuters and the public
- Regulator and major operator reporting to the same department
- Establishment of the Single Transport Economic Regulator (STER)
- Financial dependence on external sources
- Climate change
- Cyber threats:
  - digital technologies also introduce risks and expands the cyber threat landscape (cloud, internet of things)
  - railway signal control systems
  - possible nation state attacks and denial of service hacks can affect rail operations
- Threats to critical infrastructure in SA and SADC region- immature regulatory systems to address such threats







# Part C

Measuring Our Performance

# Strategic risk profile

No	Outcome	Risk Statement	Mitigations
1.	Good governance and clean administration	<b>Cyber security vulnerability</b> Hackers may gain access to the RSR systems and corrupt data or share inappropriate operators' information	<ul style="list-style-type: none"> <li>• Firewall, Antivirus and OS penetration test and vulnerability assessment</li> <li>• Security Management Plan, patch management, VPN. All servers installed with antivirus</li> <li>• Evaluation of Mobile Device Management tools and cyber security awareness</li> </ul>
2.	Railways are safer	<b>Inaccurate and incomplete safety information</b> NIIMS may have design faults, be inaccessible or data inputted on NIIMS by operators may be incomplete or inaccurate resulting in non-compliance with the requirements of the RSR Act	<ul style="list-style-type: none"> <li>• Monthly and Quarterly data verification of operator data</li> <li>• Manually request additional information from operators during permit assessments</li> </ul>
3.	Good governance and clean administration	<b>Interruption of RSR business activities</b>	<ul style="list-style-type: none"> <li>• Powered generator, end user laptops with emergency plugs</li> <li>• Preventative Maintenance. ICT Continuity plan (DRP), ICT Security Policy</li> <li>• Business Continuity Management programme (work from Home)</li> <li>• Preparedness Plan</li> <li>• Business Continuity Plans approved by the Board</li> <li>• Emergency Plan (water reserve)</li> </ul>
4.	Railways are safer	<b>Inadequate regulatory framework and competencies</b> The RSR may be implementing an incomplete, inconsistent, or incoherent mix of regulations, determinations, standards or protocols.	<ul style="list-style-type: none"> <li>• SMS audits and inspections when dealing with the transportation of dangerous goods</li> <li>• Forming industry working groups when developing regulatory tools</li> </ul>

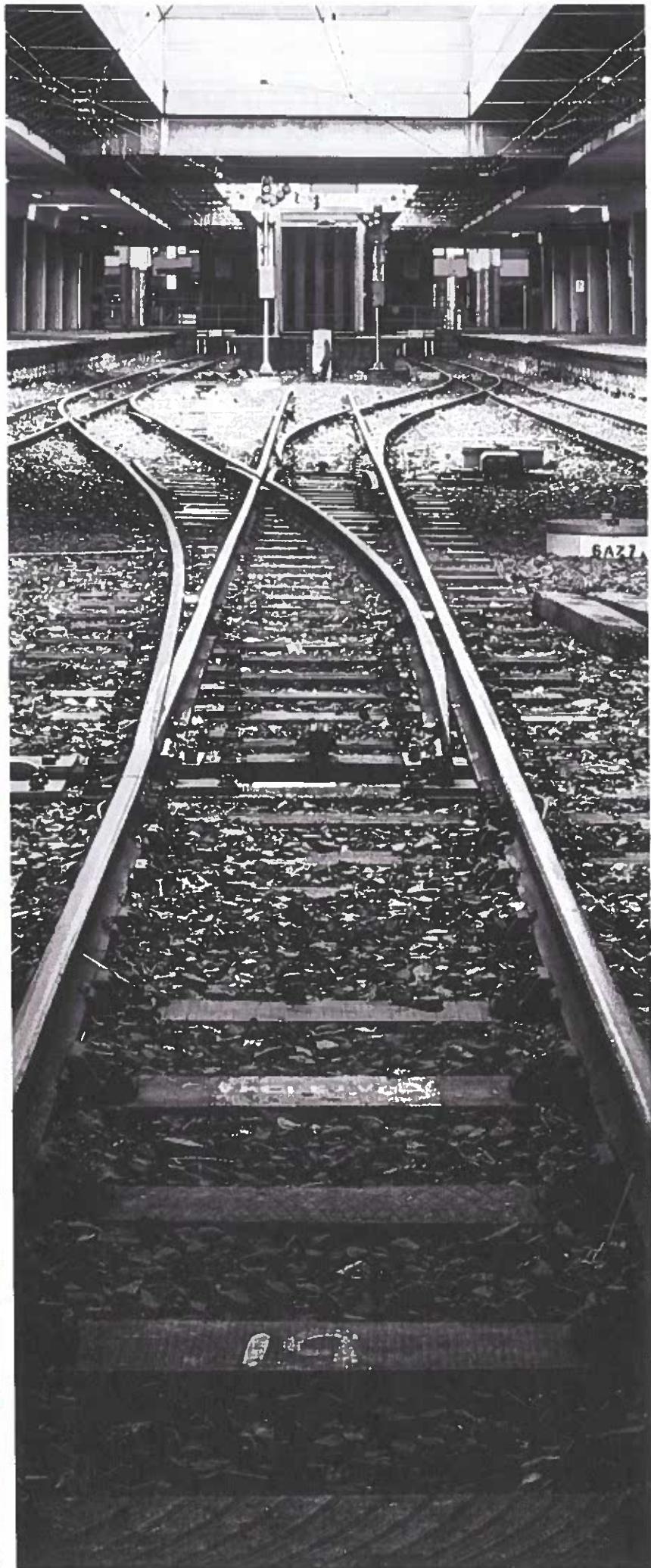


No	Outcome	Risk Statement	Mitigations
5.	Railways are safer	<b>Lack of independence</b> The RSR may fail to fully utilise its regulatory instruments and authority due to internal inefficiencies, political interference, or an inadequate independence from or familiarity with operators	<ul style="list-style-type: none"> <li>Enforcement and monitoring of operator compliance to RSR directives and special conditions of permit</li> <li>RSR not part of committees linked to operator matters</li> <li>MoU with African Railway Industry Association (ARIA) to collaborate on industry development</li> </ul>
6.	Good governance and clean administration	<b>Loss of key skilled personnel</b> The RSR may struggle to effectively execute its mandate due to departure of key personnel	<ul style="list-style-type: none"> <li>Industry benchmarked and aligned salary packages for RSR Staff</li> <li>Effective performance management and incentive process</li> <li>Initiatives around building an excellent organisation</li> <li>Vacancies being filled internal to retain the skills.</li> </ul>
7.	Good governance and clean administration	<b>Financial sustainability</b> The financial position may deteriorate to the extent that the RSR is unable to continue as a going concern, unable to render regulatory services or unable to pay salaries and creditors	<ul style="list-style-type: none"> <li>The Cost of Employment targeted at 60 per cent (or lower) of fixed revenues</li> <li>All accruals and commitments funded at year end RSR Budget adjustment for revenue shortfalls</li> </ul>
8.	Improved stakeholder service	<b>Inadequate Stakeholder Buy-in &amp; Support (RSR initiatives)</b> RSR initiatives may experience poor attendance, repeated objections or receive a lack of public comments thereby diminishing their value or delaying their implementation	<ul style="list-style-type: none"> <li>RSR involvement in SARA to maintain relations with regional operators</li> <li>RSR involvement in various National Department of Transport committees that bring together rail industry stakeholders</li> <li>MOUs with partner national government departments, public entities, and relevant institutions</li> <li>OCOO quarterly meetings with major operators</li> <li>The permit application guide shared with all operators to clarify the two permit and ASIP assessment requirements</li> </ul>

# Institutional programme performance information

No	Outcome	Outputs	Output Indicators	Audited Performance			Estimated Performance	MTEF Targets		
				2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
1.1	Railways are safer	Industry safety risk profiling towards increased critical risk mitigation decisions	Industry safety risk profile developed	Safety Risk Model scope developed	Industry-wide hazard log developed	Industry-wide hazard log validated	Railway risk matrix developed	Version 1 of Safety Risk Model platform developed	SRM platform developed and available for use	SRM implementation evaluation
1.2	Railways are safer	Industry consulted risk assessment tools and methodologies	Common Safety Methods developed and tested	CSM-RA tested with 3 Class A operators	CSM-RA tested with 3 Class B and 3 Class C operators	CSM-RA tested with 9 selected Class A or Class B operators	CSM-RA draft regulatory tool (determination) published for comments	CSM-RA regulatory tool (determination) published	CSM-RA implementation assessment	CSM-RA Implementation Assessment
1.3	Railways are safer	Industry consulted risk assessment tools and methodologies	Common Safety Methods developed and tested (Supervision)	-	Common Safety Method for Supervision Framework developed	-	-	-	-	-
1.4	Railways are safer	Industry consulted risk assessment tools and methodologies	Implementation of Railway Management Maturity Assessments	Railway Management Maturity Assessment Report for Transnet	Railway Management Maturity Assessment Report for PRASA and BOC	Railway Management Maturity Assessment Reports for 7 Class A dangerous goods operators	14 RM3 assessment reports for Class A mining operators	Railway Management Maturity Assessment Reports for all SADC operators	Maturity level assessment for PRASA, Transnet and BOC (to check for improvement)	-
1.5	Railways are safer	Industry consulted on risk assessment tools and methodologies	Interface Agreements aligned with operational risks	Interface Agreement Audit Report	Interface Agreements stakeholder engagement on IA gaps with Transnet and PRASA	Interface Agreements stakeholder engagement on IA gaps with 4 metropolitan municipalities	Draft Interface Agreement Standard developed	Interface Agreement Standard published for public comments	24/25 Interface Agreement adopted by the RSR Board	-
1.6	Railways are safer	Industry consulted risk assessment tools and methodologies	Developed and implemented RSR Standard on Verbal Safety Critical Communications	Determination on Verbal Safety Critical Communication published by 31 March 2020	-	Draft Verbal Safety Critical Communications RSR Standard published for public comments	Verbal Safety Critical Communications RSR Standard adopted	-	-	-

No	Outcome	Outputs	Output Indicators	Audited Performance			Estimated Performance	MTEF Targets		
				2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
1.7	Railways are Safer	State of safety interventions	Research Reports published	-	Level crossing research paper published  Personal safety on trains and stations research paper published	Two topical research papers published	Two research papers published	Three topical research papers published	Three topical research papers published	Three topical research papers published
1.8	Railways are safer	Service provider accreditation	Accreditation of training service providers	-	-	-	-	Accreditation of training service providers framework developed	Licensing regulation developed	Licensing of safety critical grades





No	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
1.1	Industry safety risk profile developed	Version 1 of Safety Risk Model platform developed	User requirements approved	Functional system specification approved	2 industry working group sessions facilitated	Version 1 of SRM platform developed
1.2	Common Safety Methods developed and tested	CSM-RA regulatory tool (determination) published	Public Comments report	SEIAS completed	Internal Awareness sessions conducted	Board approval of final addendum to the Determination
1.3	Common Safety Methods developed and tested (Supervision)	-	-	-	-	-
1.4	Implementation of Railway Management Maturity Assessments	Railway Management Maturity Assessment Reports for all SADC operators	1 RM3 assessment conducted	1 RM3 assessment conducted	1 RM3 assessment conducted	-
1.5	Interface Agreements aligned with operational risks	Interface Agreement Standard published for public comments	Standard revised	SEIAS completed	Internal Workshops conducted	Interface Agreement Standard published
1.6	Developed and implemented RSR Standard on Verbal Safety Critical Communications	-	-	-	-	-
1.7	Research Reports published	Three topical research papers published	Draft research proposals approved by EXCO	Draft research report completed	Research Reports approved by EXCO	Research reports published on RSR website
1.8	Accreditation of training service providers	Accreditation of training service providers framework developed	Benchmark conducted	Working group established	Draft Accreditation of training service providers framework developed	Accreditation of training service providers framework approved by the Board



No	Outcome	Outputs	Output Indicators	Audited Performance			Estimated Performance	MTEF Targets		
				2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
2.1	Good governance and clean administration	To secure an adequate operational financial base	Progress made in revising the permit fee model developed in 2014/15	Annual permit fee model submitted	Board approved financial sustainability plan	Implementation of financial sustainability plan actions due by year-end	Implementation of financial sustainability plan actions due by year-end	Implementation of financial sustainability plan actions due by year-end	Revised financial sustainability plan developed including new interventions	Implementation of financial sustainability plan actions due by year-end
2.2	Good governance and clean administration	Progress made in revising the permit fee model developed in 2014/15	Permit fee model Determination developed	-	-	-	-	Permit Fee Model Determination developed	Permit Fee Model implemented	Permit Fee Model implemented
2.3	Good governance and clean administration	To monitor and track the effectiveness of RSR compliance initiatives	New NIIMS build and maintained	Business requirements for the NIIMS developed	50 % of NIIMS developed	100% of NIIMS developed and available for use	NIIMS maintained and uptime at 99 %	50% of NIIMS Modules developed	100% of NIIMS Modules developed and available for use	NIIMS maintained and uptime at 99 %
2.4	Good governance and clean administration	Organisational excellence improved	Employee engagement improved	New indicator	Framework for assessing culture of excellence developed and baseline employee satisfaction survey conducted	Employee engagement action plan developed and implemented	Employee satisfaction improved	Employee satisfaction improved	Employee satisfaction improved	Employee satisfaction improved
2.5	Good governance and clean administration	Surplus funds	Surplus funds	New indicator	Current ratio of 1:1	Current ratio of 1,1:1	Current ratio of 1,15:1	Current ratio of 1,2:1	Current ratio of 1,25:1	Current ratio of 1,3:1
2.6	Good governance and clean administration	ISO (QMS) related policies ISO (QMS) Audit Reports	ISO (QMS) related policies ISO (QMS) Audit Reports	New indicator	QMS Policy approved	Pre-certification audit conducted	ISO 9001: 2015 Certification	ISO compliance audit conducted	ISO compliance audit conducted	ISO compliance audits conducted
2.7	Good governance and clean administration	Clean administration	Clean administration	Unqualified audit with less findings by 31 March 2020	Unqualified audit outcome with other matters	Clean audit outcome	Clean audit outcome	Clean audit outcome	Clean audit outcome	Clean audit outcome

No	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
2.1	Progress made in revising the permit fee model developed in 2014/15	Implementation of financial sustainability plan actions due by year-end	COE within 60% of revenue	COE within 60% of revenue	COE within 60% of revenue	COE within 60% of revenue
2.2	Permit fee model implemented	Permit Fee Model Determination developed	Draft Permit Fee Model Determination developed	Permit Fee Model Determination approved by Board	-	-
2.3	New NIIMS build and maintained	50% of NIIMS Modules developed	Functional system specification approved	Historical data clean up and verification	Permit fee module developed and tested	Occurrence reporting module developed and tested
2.4	Employee engagement improved	Employee engagement action plan developed and implemented	Action Plan developed and approved by EXCO	Implementation of actions due by Q2	Implementation of actions due by Q3	Employee satisfaction survey conducted
2.5	Surplus funds	Current ratio of 1,2:1	Current ratio of 1,2:1	Exceed 1,2:1 ratio	Exceed 1,2:1 ratio	Exceed 1,2:1 ratio
2.6	ISO (QMS) related policies ISO (QMS) Audit Reports	ISO compliance audit conducted	Pre-Surveillance Audit conducted	-	Surveillance Audit conducted	-
2.7	Clean administration	Clean audit outcome	AFS submitted	Clean audit outcome	Audit action plan developed	90 % of audit action plan findings resolved

No	Outcome	Outputs	Output Indicators	Audited performance					Estimated performance	MTEF targets		
				2019/20	2020/21	2021/22	2022/23	2023/24		2024/25	2025/26	
3.1	Improved stakeholder service	To influence safe railway behaviour	Number of safety awareness initiatives conducted	22 Railway safety awareness initiatives conducted by 1 March 2020	20 Railway safety awareness initiatives conducted	30 Railway safety awareness initiatives conducted	42 Railway safety awareness initiatives conducted	40 Railway safety awareness initiatives conducted	48 Railway safety awareness initiatives conducted	50 Railway safety awareness initiatives conducted		
3.2	Improved stakeholder service	To measure the impact of railway safety awareness initiatives	Effectiveness and impact of awareness initiatives	-	-	-	-	Effectiveness survey conducted and outcomes reported	Effectiveness survey conducted and outcomes reported	Effectiveness survey conducted and outcomes reported		
3.3	Improved stakeholder service	To promote safety consideration during new investments through annual industry safety thematic interventions	Annual industry safety interventions conducted	Annual Railway Safety Conference conducted by 31 March 2020	-	Annual Rail Safety Conference conducted	Annual Rail Safety Conference conducted	International Rail Safety Conference conducted	Annual Rail Safety Conference conducted	Annual Rail Safety Conference conducted		
3.4	Improved stakeholder service	Regular engagement with organised labour and interested parties to encourage collaboration towards improved railway safety of employees, commuters and the public	Stakeholder forums implemented	4 Stakeholder forums discussions conducted by 31 March 2020	8 Stakeholder forum discussions conducted	8 Stakeholder forum discussions conducted	8 Stakeholder forum discussions conducted	8 Stakeholder forum discussions conducted	8 Stakeholder forum discussions conducted	8 Stakeholder forum discussions conducted		

No	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
3.1	Number of safety awareness initiatives conducted	40 Railway safety awareness initiatives conducted	8 Railway safety awareness initiatives conducted	10 Railway Safety awareness initiatives conducted	12 Railway Safety awareness initiatives conducted	10 Railway safety awareness initiatives conducted
3.2	Effectiveness and impact of awareness initiatives	Effectiveness survey conducted and outcomes reported	-	Survey developed	Survey conducted	Survey Action Plan approved by EXCO
3.3	Annual industry safety interventions conducted	International Rail Safety Conference conducted	-	-	International Rail Safety Conference conducted	-
3.4	Stakeholder forums implemented	8 Stakeholder forum discussions conducted	2 Stakeholder forum discussions conducted	2 Stakeholder forum discussions conducted	2 Stakeholder forum discussions conducted	2 Stakeholder forum discussions conducted

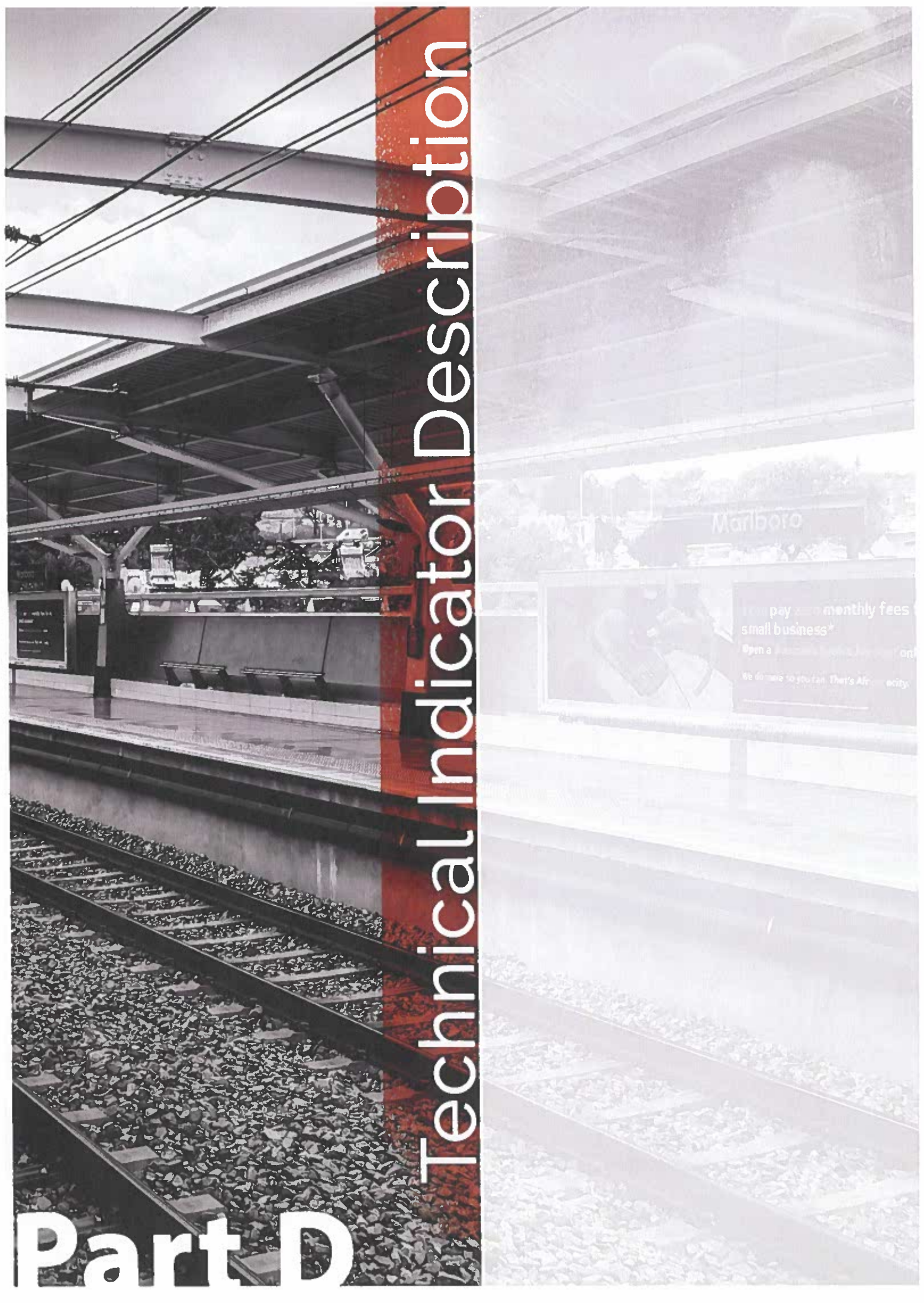


# Budget information

Revenue	2023/24 Budget	2024/25 Budget	2025/26 Budget
	R	R	R
Transfers - DoT Grant	76 086 000	79 503 000	83 001 000
Permit Fees	187 714 557	196 162 000	204 989 000
Permit Application Fee	2 227 066	-	-
Investment Income	4 141 903	4 328 000	4 522 760
<b>TOTAL REVENUE</b>	<b>270 169 526</b>	<b>279 993 000</b>	<b>292 512 760</b>
Expenditure	2023/24	2024/25	2025/26
	R	R	R
<b>COE</b>	<b>178 506 786</b>	<b>185 662 045</b>	<b>193 088 526</b>
Staff Costs	174 760 004	181 750 404	189 020 420
Directors' Remuneration	3 746 782	3 911 640	4 068 106
<b>Goods and Services</b>	<b>86 002 740</b>	<b>88 421 915</b>	<b>93 250 469</b>
Office rentals	14 342 277	15 489 659	16 728 832
Regulatory Audit Fees	3 275 133	3 422 514	3 575 843
Professional Fees	26 302 720	27 460 040	28 690 249
Admin & Operational costs	42 082 610	42 049 702	44 255 545
<b>CAPEX</b>	<b>5 660 000</b>	<b>5 909 040</b>	<b>6 173 765</b>
Capital expenditure	5 660 000	5 909 040	6 173 765
<b>TOTAL EXPENDITURE</b>	<b>270 169 526</b>	<b>279 993 000</b>	<b>292 512 760</b>







# Technical Indicator Description

## Part D

Indicator Title 1.1	Version 1 of Safety Risk Model platform developed
<b>Definition</b>	A railway risk matrix is medium used to define the level of risk with- in the railway environment considering the likelihood of negative railway events against the severity of the potential consequences of these events if they materialize
<b>Source of data</b>	State of Safety Report, NIMS and NIIMS
<b>Method of calculation / assessment</b>	Project stage of completion
<b>Means of verification</b>	Project reports and testing of system
<b>Assumptions</b>	Capable Service provider selected
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Version 1 Safety Risk Model platform developed
<b>Indicator responsibility</b>	Office of the Chief Operating Officer – Safety Management

Indicator Title 1.2	CSM-RA regulatory tool (determination) published
<b>Definition</b>	To make railways safer by embedding operational excellence within the SMS of all operators through the implementation of an RSR determination/standard/guideline on CSM-RA. Should the pilot not be completed on Class A Operators in the previous financial year, further testing may take place with Class A Operators.
<b>Source of data</b>	Risk assessments submitted by the operator
<b>Method of calculation / assessment</b>	Stage of completion in development of determination
<b>Means of verification</b>	Approved determination published
<b>Assumptions</b>	Collaboration from the operators is assumed.
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	CSM-RA regulatory tool (determination) published for comments
<b>Indicator responsibility</b>	Office of the Chief Operating Officer – Safety Management



<b>Indicator Title 1.3</b>	<b>Common Safety Methods developed and tested (Supervision) – No 2023/24 target</b>
<b>Definition</b>	-
<b>Source of data</b>	-
<b>Method of calculation / assessment</b>	-
<b>Means of verification</b>	-
<b>Assumptions</b>	-
<b>Calculation type</b>	-
<b>Reporting cycle</b>	-
<b>Desired performance</b>	-
<b>Indicator responsibility</b>	-

<b>Indicator Title 1.4</b>	<b>Railway Management Maturity Assessment Reports for all SADC operators</b>
<b>Definition</b>	To make railway safer by embedding operational excellence within the SMS of all operators through the implementation of a Risk Management Maturity Assessment tool.
<b>Source of data</b>	Railway Management Maturity Assessment Reports for all SADC Operators
<b>Method of calculation / assessment</b>	Railway Management Maturity Assessment Reports
<b>Means of verification</b>	Railway Management Maturity Assessment Reports
<b>Assumptions</b>	Improved maturity of operators
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Railway Management Maturity Assessment Reports for all SADC Operators
<b>Indicator responsibility</b>	Office of the Chief Operating Officer – Safety Management

<b>Indicator Title 1.5</b>	<b>Interface Agreement Standard adopted by the RSR Board</b>
<b>Definition</b>	Interoperability concerns identified, and all interface agreements aligned with the identified operational risk exposures.
<b>Source of data</b>	Existing interoperability agreements
<b>Method of calculation / assessment</b>	Stage of completion in development of standard
<b>Means of verification</b>	Board minutes, Published standard.
<b>Assumptions</b>	Improved interoperability between operators on the common network at the interface of railway operations
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Interface Agreement Standard adopted by the RSR Board
<b>Indicator responsibility</b>	Office of the Chief Operating Officer – Safety Management

<b>Indicator Title 1.6</b>	<b>Verbal Safety Critical Communications RSR Standard adopted – No 2023/24 target</b>
<b>Definition</b>	
<b>Source of data</b>	
<b>Method of calculation / assessment</b>	
<b>Means of verification</b>	
<b>Assumptions</b>	
<b>Calculation type</b>	
<b>Reporting cycle</b>	
<b>Desired performance</b>	
<b>Indicator responsibility</b>	

<b>Indicator Title 1.7</b>	<b>Three research papers published</b>
<b>Definition</b>	Research conducted on identified areas of concern that impacts negatively on the promotion of safer railways.
<b>Source of data</b>	State of Safety Report
<b>Method of calculation / assessment</b>	Collation of data Review and assess research paper
<b>Means of verification</b>	Completed research reports
<b>Assumptions</b>	Improved insight and awareness of high-risk elements identified in the State of Safety Report and/or findings of preceding years' research activities
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Three research papers published
<b>Indicator responsibility</b>	Office of the Chief Operating Officer – Safety Permit Management

<b>Indicator Title 1.8</b>	<b>Accreditation of training service providers framework developed</b>
<b>Definition</b>	Research conducted to develop the framework to accredit training service providers.
<b>Source of data</b>	State of Safety Report
<b>Method of calculation / assessment</b>	Collation of data Review and assess research paper
<b>Means of verification</b>	Board approved framework
<b>Assumptions</b>	Improved insight and awareness of high-risk elements identified in the State of Safety Report and/or findings of preceding years' research activities
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Accreditation of training service providers framework developed
<b>Indicator responsibility</b>	Office of the Chief Operating Officer – Research and Technical Skills Development

<b>Indicator Title 2.1</b>	<b>Implementation of financial sustainability plan actions due by year-end</b>
<b>Definition</b>	Collaborative review of the current permit fee model to address identified shortcomings towards implementing an agreed revised sustainability plan.
<b>Source of data</b>	Implementation Report and Annual Financial Statements
<b>Method of calculation / assessment</b>	COE as a percentage of total revenue
<b>Means of verification</b>	Implementation Report, Financial Statements
<b>Assumptions</b>	Sustainable organisation
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Implementation of financial sustainability plan actions due by year-end
<b>Indicator responsibility</b>	Risk and Strategy

<b>Indicator Title 2.2</b>	<b>Permit Fee Model Implemented</b>
<b>Definition</b>	Collaborative review of the current permit fee model to address identified shortcomings towards implementing an agreed revised sustainability plan.
<b>Source of data</b>	Permit fee model, permit assessment submissions
<b>Method of calculation / assessment</b>	Published Determination
<b>Means of verification</b>	Implementation Report
<b>Assumptions</b>	Sustainable organisation
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Implementation of the Permit Fee Model
<b>Indicator responsibility</b>	Risk and Strategy



<b>Indicator Title 2.3</b>	<b>50% of NIIMS modules developed</b>
<b>Definition</b>	Development and implementation of a digitised and an integrated information management system to meet the requirements set out in the RSR Act. Furthermore, deliver data integrity to support operational intelligence in assuring the effectiveness of the RSR's compliance activities.
<b>Source of data</b>	Project progress reports
<b>Method of calculation / assessment</b>	Number of modules and activities completed
<b>Means of verification</b>	User acceptance testing reports
<b>Assumptions</b>	Digitised and integrated information system
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	NIIMS maintained and uptime at 99 %
<b>Indicator responsibility</b>	ICT and Systems Management

<b>Indicator Title 2.4</b>	<b>Employee satisfaction improved</b>
	<b>Action plan developed and implemented</b>
<b>Definition</b>	Implementation of a framework that will be used to assess and improve the culture of excellence of the organisation
<b>Source of data</b>	Survey results and initiatives implemented
<b>Method of calculation / assessment</b>	Analysis of survey results
<b>Means of verification</b>	Implementation plan
<b>Assumptions</b>	Engaged and satisfied workforce
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Employee satisfaction improved
	Action plan developed and implemented
<b>Indicator responsibility</b>	Human Resources

Indicator Title 2.5	Current ratio of 1,2:1
<b>Definition</b>	Maintenance of the current ratio that is in line with industry best practice and seeks to improve over the medium-term. An improvement in the current ratio will build up the required reserves to fund any investment initiatives.
<b>Source of data</b>	Board approved AFS (31 May)
<b>Method of calculation / assessment</b>	Current assets: current liabilities
<b>Means of verification</b>	Recalculation based on AFS amounts
<b>Assumptions</b>	AFS is prepared on a going concern basis
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Current ratio of 1,2:1
<b>Indicator responsibility</b>	Chief Financial Officer

Indicator Title 2.6	ISO Compliance audit conducted
<b>Definition</b>	The optimisation and ongoing improvement of business processes in accordance with the requirements of ISO 9001.
<b>Source of data</b>	Standard Operating Procedures
<b>Method of calculation / assessment</b>	Audit Report
<b>Means of verification</b>	Audit Report
<b>Assumptions</b>	Approved organisation policies
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	ISO Compliance audit conducted
<b>Indicator responsibility</b>	Risk and Strategy

<b>Indicator Title 2.7</b>	<b>Clean audit</b>
<b>Definition</b>	Audit findings raised by the AGSA in previous financial year to be addressed.
<b>Source of data</b>	External audit report
<b>Method of calculation / assessment</b>	Unqualified audit with no material findings from the Auditor General
<b>Means of verification</b>	Audit opinion as presented in the Annual Report with no qualification paragraphs. Other noncompliance matters reported
<b>Assumptions</b>	AFS submitted on time as per legislated timelines
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Unqualified audit outcome with no material (audit report) findings
<b>Indicator responsibility</b>	Chief Financial Officer

<b>Indicator Title 3.1</b>	<b>40 Railway safety awareness initiatives conducted</b>
<b>Definition</b>	To heighten awareness of railway safety through education, communication and training initiatives within the community and among others. Tasked with the responsibility to oversee railway safety, the RSR undertakes initiatives aimed at increasing and improving railway safety awareness.
<b>Source of data</b>	Railway safety promotion initiative reports
<b>Method of calculation / assessment</b>	Simple count of number of actual railway safety promotion initiatives
<b>Means of verification</b>	Initiative reports
<b>Assumptions</b>	Influence positive safe railway behaviour
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	40 Railway safety awareness initiatives conducted
<b>Indicator responsibility</b>	Media and Communications

Indicator Title 3.3	International Rail Safety Conference conducted
<b>Definition</b>	To conduct an Annual Rail Safety Conference to promote railway safety across the rail sector. The RSR, as the authority on rail safety, encourages and spearhead dialogue that contributes to the improvement of rail safety. In this regard, the RSR hosts a conference that brings together operators, specialists, interested and affected parties. The conference positions best practice to positively impact rail safety.
<b>Source of data</b>	Annual Rail Safety Conference programme
<b>Method of calculation / assessment</b>	Conference conducted
<b>Means of verification</b>	Conference report
<b>Assumptions</b>	Increased industry collaboration towards safer railway operations
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	International Rail Safety Conference conducted
<b>Indicator responsibility</b>	Media and Communications

Indicator Title 3.4	Eight stakeholder forum discussions conducted
<b>Definition</b>	To conduct quarterly meetings with industry with the intent to promote safe railway operations and improved railway safety across the industry. The RSR seeks to build relationships with interested and affected parties with the intent to collaborate to find solutions to the challenges that pervade the rail industry. Quarterly interactions provide the opportunity for dialogue that contributes to the improvement of rail safety.
<b>Source of data</b>	Attendance Registers, Agenda and Meeting Reports
<b>Method of calculation / assessment</b>	Number of stakeholder forum discussions concluded
<b>Means of verification</b>	Attendance Registers, Agenda and Meeting Reports
<b>Assumptions</b>	Increased cooperation with industry
<b>Calculation type</b>	Year-end
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Eight stakeholder forum discussions conducted
<b>Indicator responsibility</b>	Media and Communications



## NOTES

**HEAD OFFICE (MIDRAND)**

+27 10 495 5391, Building 4, Waterfall  
Point Office Park, Cnr Waterfall and Woodmead  
Drive, Waterfall City, Midrand, 1685, SOUTH AFRICA

**CENTRAL REGION**

+27 87 284 6591, Building 2, Waterfall Point Office Park,  
Cnr Waterfall and Woodmead Drive, Waterfall City,  
Midrand, 1685, SOUTH AFRICA

**COASTAL REGION**

+27 21 493 1718, 2 Long Street Building, 2 Long Street,  
11<sup>th</sup> Floor, Cape Town, 8000, SOUTH AFRICA

**EASTERN REGION**

+27 31 492 7289, Embassy Building, 22<sup>nd</sup> Floor,  
199 Anton Lembede Street,  
Durban, 4000, SOUTH AFRICA

RP :xxxxxxxx  
ISBN:xxxxxxxx