

PRESENTATION TO THE PORTFOLIO COMMITTEE ON DEFENCE AND MILITARY VETERANS

PUBLIC TRANSPORT

30 March 2011



transport

Department
Transport
REPUBLIC OF SOUTH AFRICA

Contents

- Legislative framework
- Background
- Current contracting regime
- Subsidy distribution
- Public Transport Strategy
- Integrated Public Transport Networks



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

Legislative and Policy Framework

- National Transport White Paper of 1997
- National Land Transport Transition Act (Act 22 of 2000)
- Public Transport Strategy and Action Plan of 2007
- National Land Transport Act No. 5 of 2009



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

Background

- Prior to 1997 bus operators had lifelong operating rights
- White Paper on National Transport Policy approved by Cabinet in 1997 introduced a system of regulated competition
- Tendering is to be the main mechanism for the provision of public transport services
- The system provided opportunities to historically disadvantaged operators



transport

Department
Transport
REPUBLIC OF SOUTH AFRICA

Background cont...

- Moratoriums put in place in 2001/02 prohibited the full implementation of the tender system
 - 1st Moratorium: Linked to the amendment of the National Land Transport Transition Act 22 of 2000
 - 2nd Moratorium: Linked to the provision of the Public Finance Management Act of 1993



transport

Department
Transport
REPUBLIC OF SOUTH AFRICA

Current contracting regime

- Current contracts types:
 - Interim Contract
 - Tender Contract
 - Negotiated Contract
- These are purely bus contracts and are administered and managed by provinces



transport

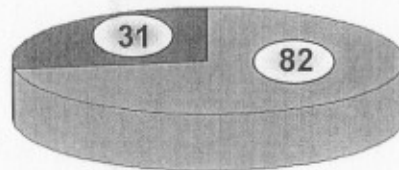
Department:
Transport
REPUBLIC OF SOUTH AFRICA

SUBSIDY DISTRIBUTION

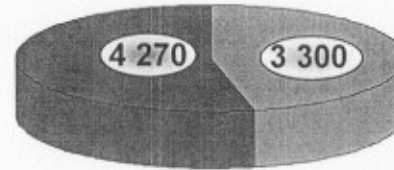
Tendered/Negotiated Contracts vs Interim Contracts

■ Tender/Negotiated
■ Interim Contracts

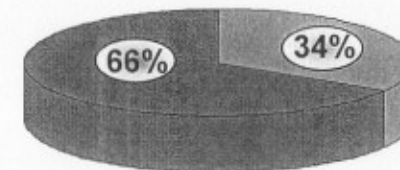
No. of Contracts



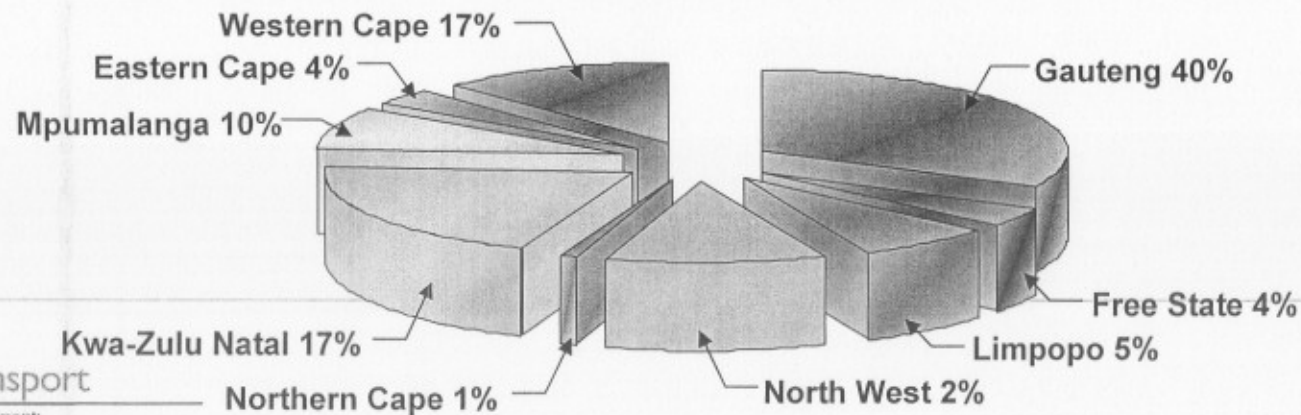
No of Buses



% Subsidy



Total Subsidy Split between Provinces for all Contracts



2009/10 Subsidy Distribution

| LIMPOPO | |
|------------|-----------------|
| Fleet Size | Current Subsidy |
| 740 | R 174 000 000 |

| MPUMALANGA | |
|------------|-----------------|
| Fleet Size | Current Subsidy |
| 580 | R 371 000 000 |

| NORTH WEST | |
|------------|-----------------|
| Fleet Size | Current Subsidy |
| 670 | R 321 000 000 |

| GAUTENG | |
|------------|-----------------|
| Fleet Size | Current Subsidy |
| 2 300 | R1 400 000 000 |

| FREESTATE | |
|------------|-----------------|
| Fleet Size | Current Subsidy |
| 270 | R 151 000 000 |

| KWA-ZULU NATAL | |
|----------------|-----------------|
| Fleet Size | Current Subsidy |
| 1 500 | R 589 000 000 |

| NORTHERN CAPE | |
|---------------|-----------------|
| Fleet Size | Current Subsidy |
| 50 | R 21 000 000 |

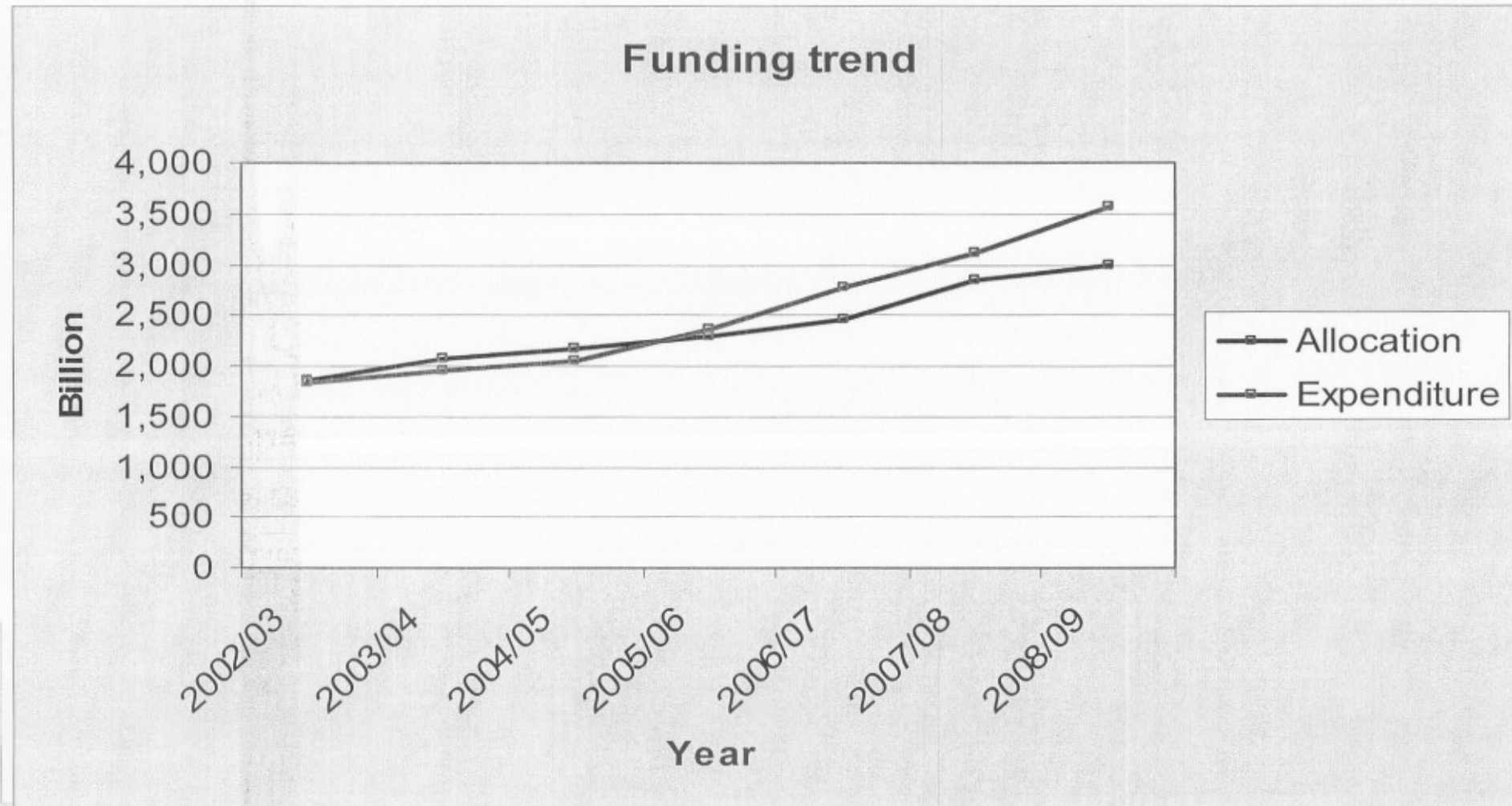
| EASTERN CAPE | |
|--------------|-----------------|
| Fleet Size | Current Subsidy |
| 360 | R 126 000 000 |

| WESTERN CAPE | |
|--------------|-----------------|
| Fleet Size | Current Subsidy |
| 1 100 | R 594 000 000 |



transport
Department of
Transport and
Road Safety
REPUBLIC OF SOUTH AFRICA

Public Transport subsidy funding



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

Short Term Intervention 2009

- Annual subsidy allocation was solely inflation related up until 2009/10
- No additional funding was provided to cater for increased demand or improvement of services
- From 1 April 2009 bus subsidies were paid as a conditional grant i.t.o DORA (PTOG)
- Intention was to eradicate over expenditure and to align spending with Treasury's annual baseline increase



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

Public Transport Strategy - 2007

- In January 2007 Cabinet approved a Public Transport Strategy and Action Plan
- One of the key focus of the Strategy is the introduction of Integrated (Rapid) Public Transport Networks (IPTN)
- The PTS target to roll out IPTNs in 12 cities and 6 district municipalities by 2014
- The IPTNs represent a strategic shift from modal service (bus, rail or taxi) to a fully integrated network of public transport service

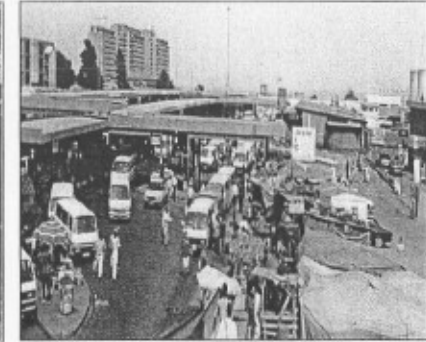


transport

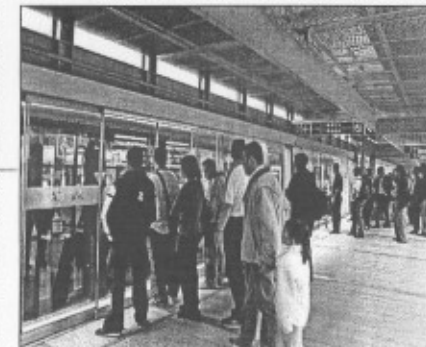
Department:
Transport
REPUBLIC OF SOUTH AFRICA

Integrated Public Transport Networks

▪ *Operator-controlled, commuter-based, uni-modal routes, to...*



▪ *User-friendly, publicly-controlled, fully integrated, mass rapid public transport networks*



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

Integrated Public Transport Networks

- Long term public transport system characterized by:
 - Modal integration (bus, taxi & rail) offering seamless travelling
 - High quality infrastructure – interchanges, public transport right-of-ways, bus stops, public information system
 - Coverage, accessibility, security, vehicles, image, etc



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

Progress with IPTNs

- Short term: Johannesburg, Cape Town, Nelson Mandela Bay & Tshwane municipalities planning BRTs as part of long-term IPTNs
 - All BRTs need to include existing operators and labour (especially the minibus industry and small bus operators) on contract as per NLTA of 2009
- Other cities are in progress with Phase 1 IPTN Operational Plans



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

Johannesburg Phase 1 BRT

- Rea Vaya plans 122km of full BRT & 250km of feeder systems by 2013 (NB: Some target dates are being reviewed due to delays).
- Target is at least 400 000 passenger trips/day by 2013.
- Starter service of 40 buses launched 30 August 2009. Now carrying approximately 20 000 passenger trips/day.
- Full Phase 1A of 143 buses, 25,5kms of trunk bus way, 20 stations and 70 000 passenger trips/day to run as soon as negotiations are concluded with affected operators



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

Nelson Mandela Bay Municipality

- Aiming to contract a full city-wide network between 2011-15 depending on taxi operator negotiations (NB: Some target dates are being reviewed due to delays)
- Phase 1 & 2:
 - 45km of trunk-feeder bus corridors
 - 16km of BRT
- Current taxi & bus operations will be a single network by 2015?
- Network to comprise 4 contract packages aiming to transport over 400 000 passenger trips a day



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

Cape Town Integrated Rapid Transit

- Original plan for Phase 1a for 2010/11 (NB: Target dates are being reviewed due to delays)
 - 25 stations
 - 139 feeder stops
 - 156 vehicles
 - 115 000 passenger trips a day
 - 8 taxi associations and a bus companies are directly affected



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

Tshwane BRT

- Work in progress with 2011 as a date for full operation of Line 1 of Phase 1 (NB: target dates are being reviewed due to delays)
- 68km full BRT linking Mabopane to Mamelodi via CBD and Menlyn (Revised)
- Line 1 from Mabopane to CBD: 37km of lanes, 17 stations, 58 vehicles, 40 000 passenger trips a day



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

Progress in other 8 Cities & 6 Districts

- Buffalo City – has completed Draft Operational Plan
- Polokwane & Rustenburg – Operational Plans in progress
- Mbombela – Operational Plans complete – Business Plan in preparation.
- Ekurhuleni - & Ethekwini – Operational Plans in process
- Mangaung & Msunduzi – have Operational Plan tenders in preparation
- Operational network planning in the rural districts very slow.



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA