### Programme 6: Transport Logistics and Corridor Development

The Branch will concentrate its efforts over the MTEF on the finalization of all policies and strategies in freight transport, commence the implementation of such strategies, develop and commence implementation of corridor optimization strategies and establish a firm base of information resources and research, establish a centre for co-ordinating information, resources and training in the freight industry.

Detailed research and forecasting is required in this sector to establish the scale of likely demand, and the ability to reduce regular freight movements during the 2010 World Cup. The Freight Logistics Task Team has embarked on the development of a framework for this sector within the ambit of freight logistics policy and its relation to other sectors (border security control, employment, energy supply, trade, etc.).

The priority areas for strategy development and implementation shall be in air, rail, road, port and inland terminals. The priority corridors for intervention shall be the establishment of the National Freight Information System and the population of the NFIS database with nationally relevant information, leading on to the population of the database with information of provincial and local relevance.

The objectives of the Branch are to concentrate on policies, strategy and implementation that deliver:

- transit, storage and processing time reduction;
- reduced environmental impacts;
- reduced costs;
- greater integration of second and first economy transport systems; and
- increases in system dynamic and static capacity.

### The Dube Trade Port

The Dube Trade Port project seeks to provide a major economic stimulus to the economy of KwaZulu-Natal and South Africa by providing world-class logistics infrastructure comprising the intercontinental passenger and freight orientated King Shaka International Airport (KSIA) as well as the Trade Zone, a commercial orientated real estate development focussing on serving the needs of industry-orientated to air/seal and rail logistics. It capitalises on and compliments the Durban and Richard’s Bay port infrastructure and the established road and rail links to Gauteng.

KSIA overcomes the shortcomings of Durban International by providing runway capability of landing fully laden long range cargo aircraft, dedicated airfreight terminals serving both general and perishables cargo as well as (initially) a 4 million passenger terminal. Master planning provision is made that enables KSIA to grow into a major airport centre.

The Trade Zone represents one of the most significant new developments in comparison to Durban International Airport, creating an enhanced operating environment serving a wide range of industrial sectors. The Trade Zone consists of a perishables centre together with office space, warehousing, light manufacturing ventures and support services that integrates to the cargo terminal. A Cyberport will deliver IP connectivity internally to the Trade Zone and provide an IT platform that electronically enables the entire export value chain and integrates key stakeholders external to the trade transaction itself (e.g. banks, logistics companies, freight forwarders, airlines). The Cyberport will also act as the IT platform for the KSIA and additional IT and telecommunications-related services.
SHORT-TERM QUICK WIN STRATEGIES

Measurable Objective: Freight Logistics and Corridor Development

Program | Sub-program | Output | Measure/indicator | Targets and time frames | Impact
--- | --- | --- | --- | --- | ---
Gauteng-Durban Corridor | City Deep and its supply chains | City Deep Integration Plan complete | March 2007 | Better understanding of corridor interventions across all parties
Harrismith Hub | | An initial feasibility study on the integration of proposed Harrismith hub into the Gauteng-Durban Corridor | Study completed | March 2007 | Allows prior planning of impact on corridor
Dube Trade Port | Freight Integration approach for DTP | Integrated Freight Plan for DTP, Durban and Richards Bay Ports | Sep 2006 | Ensure planning re-alignment prior to airport construction
KSIA | Creation of a Special Purpose Vehicle (SPV) for the joint ownership and funding of KSIA by ACSA and KZN. | Creation of KSIA | Sep 2006 | Critical for the completion of the KSIA
Communication roll-out for DTP-KSIA | Communication plan developed and commenced | June 2006 | Increase awareness of project and interest from investors
Branch-Line Strategic Framework | Introduction of competition into the rail sector | Interim Branch-Line Competition Introduction Model | March 2007 | Develop model and commence implementation
Implementation of the NFLS | National Freight Information System | National Freight Information System Platform | March 2007 | Establishment of data sets complete for country, and regulatory framework for information filing complete, spatial freight planning and monitoring implemented
National Logistics Centre | Establish NLC | NLC established and frameworks complete | Mar 2007 | Centrally situated freight resource base Leadership provided in research and education with respect to freight

MEDIUM-TERM STRATEGIES

Measurable objective: Freight Logistics And Corridor Development

Programme | Sub-programme | Output | Measure/indicator | Targets and time frames | Impact
--- | --- | --- | --- | --- | ---
Gauteng-Durban Corridor | City Deep and its supply chains | Integrated City Deep Strategy | Implementation commenced | March 2008 | Better management of corridor interventions, proper development of freight models and scenario planning
Cape Town – Harare Corridor | Cape Town – Harare Corridor Optimisation Strategy | Cape Town – Harare Corridor Optimisation Strategy | Completed | Dec 2007 | Better management of corridor traffic, greater capacity and efficiency along and over corridor
Dube Trade Port | Commissioning of KSIA and Decommissioning of DIA | KSIA operational and DIA de-commissioned | Feb 2010 | An integrated airport and logistics hub facility will alleviate freight traffic on northern and east west routes
Branch-Line Strategic Framework | Branch-Line Network Model | Branch-Line Strategy implemented and new institutional structure effected | March 2009 | Introduce competition into the rail sector, increase rail service levels across the country support Spoornet strategy and financial sustainability
National Corridor Performance Measurement (NCPM) transferred to DoT | National Corridor Performance Measurement platform | National Corridor Performance Measurement platform | Assessment of infrastructural investment need for each corridor | March 2009 | Freight planning can occur in an integrated manner across all spheres of Government and private sector.
Sub-sectoral strategy development | All strategies developed and implementation commenced | All strategies developed and implementation commenced | Ongoing | DoT able to manage corridor interventions better as well as track impact of interventions.
Freight forecasting | Use the National Freight Databank, NFIS and NCPM as tools to help develop freight models and scenario planning. | March 2009 | Better planning and implementation inputs and oversight.
**Program 7: Public Entity Oversight and Economic Regulation**

**MANDATE**  
- Transparent and predictable regulatory frameworks.  
- Shaping our institutions to optimise service delivery.

**KEY STRATEGIES**  
- Institutional appropriateness for economic growth and improved service delivery – consolidating regulators and public entities in line with the strategic long-term vision of the Transport Sector.  
- Strengthen governance of entities to improve service delivery – institutional arrangements, mandating, monitoring and constant improvement.  
- Achieve growth of the transport sector by developing transparent and predictable regulatory frameworks – rail economic regulator, ports economic regulator and air transportation regulations for the regulating committee.

**Short-term Quick Win Strategies**

<table>
<thead>
<tr>
<th>Sub-program</th>
<th>Output</th>
<th>Measure / Indicator</th>
<th>Targets &amp; time frames</th>
<th>Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>PEO</td>
<td>Board recruitment policy and strategic screening processes</td>
<td>New Boards to be appointed following on rigorous screening process</td>
<td>May 2006</td>
<td>Reluctance of recruiters to go through this process; Delays in the recruitment process</td>
</tr>
<tr>
<td>Developing regulations</td>
<td>for the Road Accident Fund Amendment Act, 2005</td>
<td>Regulations promulgated</td>
<td>July 2006</td>
<td>Delays due to groundbreaking work in healthcare arena</td>
</tr>
<tr>
<td>Improved oversight agencies</td>
<td>Signing of Performance Agreements</td>
<td></td>
<td>July 2006</td>
<td>Implementation by Agencies</td>
</tr>
<tr>
<td>Economic Regulation</td>
<td>Civil Aviation Policy: Rollout of implementation of the Civil Aviation Policy to drive the liberalization of our skies in terms of YD</td>
<td>Approved by Cabinet and implementation plan for SA’s liberalization of the aviation sector</td>
<td>July 2006</td>
<td>All processes will be internally focused and unless regional players take advantage of the YD</td>
</tr>
<tr>
<td>Develop the National Aviation Strategy that will respond to the National Airports Development Plan and the Yamoussoukro Decision</td>
<td>Strategy consulted with the industry and approved by the Minister</td>
<td></td>
<td>July 2006</td>
<td>Internal capacity to strategically drive these projects</td>
</tr>
</tbody>
</table>

**Measurable objective:** Shaping our public entities to optimize service delivery and regulation

<table>
<thead>
<tr>
<th>Sub-program</th>
<th>Output</th>
<th>Measure / Indicator</th>
<th>Targets and time frames</th>
<th>Impact</th>
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</thead>
<tbody>
<tr>
<td>PEO</td>
<td>Overall public entity institutional analysis (positioning and effectiveness evaluation)</td>
<td>Cabinet approval of policy positioning and restructuring of agencies including the terms of reference; Final strategy report submitted to Cabinet</td>
<td>12/2006</td>
<td>An enabling environment for the oversight and regulation of all transport modes.</td>
</tr>
<tr>
<td>PEO</td>
<td>Public Entity Mandate setting Enhancing overall public accountability to the Executive Authority</td>
<td>Shareholder compacts and performance agreements between the Accounting and Executive Authority</td>
<td>March 2007</td>
<td>Public Entity Boards that strive to fully implement their mandate and optimally account to the Executive Authority</td>
</tr>
<tr>
<td>PEO</td>
<td>General Laws Amendment Act</td>
<td>Passing legislation to align oversight processes for agencies</td>
<td>July 2006</td>
<td>Facilitate oversight of public entities and regulators reporting to the Minister of Transport.</td>
</tr>
<tr>
<td>PEO</td>
<td>Restructuring of the CBRTA</td>
<td>Model design for this agency</td>
<td>June 2006</td>
<td>Property positioned agency to deliver services</td>
</tr>
<tr>
<td>Economic Regulation – Sector Regulator</td>
<td>Developing institutional Design for Transport Sector Regulator</td>
<td>Model in place in 2006-2007 Financial year and approved by Cabinet for implementation</td>
<td>March 2007</td>
<td>Manageable institution and consolidated and regulating capacity serving the transport sector in a strategic and consolidated manner.</td>
</tr>
<tr>
<td>Economic Regulation – priority Maritime Regulation</td>
<td>Setting up the Ports Regulator and developing maritime regulations</td>
<td>Regulations and the governance system for the Port Regulator approved by the Minister and Cabinet</td>
<td>March 2007</td>
<td>Provision of regulations for fairness, transparency, efficiency, access and pricing mechanisms.</td>
</tr>
</tbody>
</table>
## MEDIUM-TERM STRATEGIES

**Measurable objective:** Public Entity Oversight and Economic Regulation

<table>
<thead>
<tr>
<th>Sub-programme</th>
<th>Output</th>
<th>Measure / Indicator</th>
<th>Targets and time frames</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Entity Oversight</td>
<td>Strategy for Public Entities in the Department of Transport: Positioning and restructuring</td>
<td>Cabinet approval for Strategy Management information system in place</td>
<td>March 2007</td>
<td>Improved alignment of service delivery with Transport Sector objectives</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Information on the performance of agencies to be readily available</td>
</tr>
<tr>
<td>Economic Regulation - Rail</td>
<td>Interim Rail Economic Regulatory Capacity</td>
<td>Interim capacity in place</td>
<td>March 2007</td>
<td>An institutional framework for economic regulation will provide a platform for introducing other players in the rail sector</td>
</tr>
<tr>
<td>Economic Regulation</td>
<td>Airfit Strategy Implementation</td>
<td>Approved by Cabinet</td>
<td>March 2007</td>
<td>Better support of the Tourism Sector</td>
</tr>
<tr>
<td>Economic Regulation – Priority Civil Aviation</td>
<td>Review legislation to make provision for the new Airports i.e. Dube</td>
<td>Legislation submitted to Cabinet for approval and commence Parliamentary process</td>
<td>March 2008</td>
<td>Provision of appropriate framework for the required economic regulations for the Civil Aviation Industry</td>
</tr>
<tr>
<td>Economic Regulation – Priority Civil Aviation</td>
<td>Development of Comprehensive Civil Aviation Database specification and completion of workflow with ICAO, which captures ICAO statistics as well as air services licensing, foreign operators’ permits.</td>
<td>Terms of reference Procurement process Completion of the database system.</td>
<td>March 2007 2007/08 F/Y</td>
<td>Streamline accurate aviation database towards a more effective service delivery. Easy access to ICAO decisions to influence policy and strategic positions.</td>
</tr>
<tr>
<td>Economic Regulation – Priority Civil Aviation</td>
<td>Review and Strengthen existing and develop new economic regulations to stimulate growth and to include new airport development such as DTP</td>
<td>Regulations approved by the Minister and implemented.</td>
<td>March 2008</td>
<td>Transparency and predictability of regulations.</td>
</tr>
</tbody>
</table>

### List of Abbreviations

- **ACSA**: Airports Company of South Africa
- **ATNS**: Air Traffic and Navigation Services
- **BEE**: Black Economic Empowerment
- **CRBTA**: Cross-Border Road Transport Agency
- **CLS**: Convention on Liability and Compensation
- **COTDO**: Committee of Transport Officials
- **DBFO**: Design Build Fund and Operate
- **DoT**: Department of Transport
- **DTI**: Department of Trade and Industry
- **EPWP**: Extended Public Works Programme
- **GVM**: Gross Vehicle Mass
- **HDG/I**: Historically disadvantaged groups / Individuals
- **HRD**: Human Resource Development
- **IASC**: International Air Services Council
- **IDP**: Integrated Development Plan
- **IRIS**: Integrated Road Infrastructure Plan
- **ISPS**: International Ship and Port Security Code
- **ITP**: Integrated Transport Plan
- **RIF**: Integrated Infrastructure Framework
- **RISFSA**: Road Infrastructure Strategic Framework for South Africa
- **RTIA**: Road Traffic Infringements Agency
- **RSS**: Rail Safety Regulator
- **RTMC**: Road Traffic Management Corporation
- **SACCA**: South African Civil Aviation Authority
- **SADC**: Southern African Development Community
- **SAMSA**: South African Maritime Safety Authority
- **SANCAL**: South African National Roads Agency
- **SANTACO**: South African National Taxi Council
- **SAPS**: South African Police Services
- **SARCC**: South African Rail Commuter Corporation
- **SMME**: Small, medium and micro enterprises
- **SOCLU**: Special Overload Control
- **SOLAS**: Safety of Lives at Sea
- **SUAP**: Suppression of Unlawful Acts
- **TAT**: Transport Appeal Tribunal
- **TDM**: Trade Demand Management
- **UNCLOS**: United Nations Convention on Law of the Sea
- **UTF**: Urban Transport Fund