

PREFACE

THE DIRECTOR-GENERAL MS MPUMI MPOFU

A vibrant transport sector is a critical pillar of South Africa's economic growth and development path. Transport has been identified as one of the key levers to be harnessed towards meeting the challenges presented by the duality in the economy.

I feel honored and privileged for the trust bestowed upon me to contribute to the challenge of transforming the transport sector and of ensuring that as a country we have an effective transport system that is essential to the well-being of our country.



In spite of the challenges of restructuring, strategic alignment within the Department and the rest of government, a shift from policy formulation to implementation of three primary strategies, new appointments in terms of management and a changing vision, amongst others, the period under review has been remarkable in terms of successes. Operations in 2004/2005 were therefore characterized by a concerted effort to execute the changing vision and mandate of the Department in an effective and efficient manner.

The Department of Transport accelerated the process of repositioning transport as a driver of economic growth for South Africa. Transport is currently faced with the challenge of playing a central role in driving economic development in the country, as it is at the heart of facilitating economic and social activity through the movement of the people and goods.

Cabinet Makgotla were held in January, May 2004 and January 2005, following which the Department identified a number of strategic interventions to be addressed during the second decade of freedom and democracy. Responding to these strategic imperatives, a new organizational structure for the Department was completed in September 2004, and approved by the Minister.

The structure was supportive of the following strategic goals, namely:

- the consolidation of an efficient public transport system that includes the reorganization and review of the subsidy system as well as to address the issues of service levels and infrastructure requirements supportive of public transport with much emphasis on delivery of improved public transport to the rural and urban poor. We have made concerted efforts in ensuring the realization of these strategic goals, through the implementation of two major projects, namely passenger rail consolidation and the taxi recapitalisation programme;
- meeting the challenges posed by the freight logistics system in the context of the implementation of the Micro-Economic Reform Strategy. The unblocking of the freight flows to create an environment conducive for speedy and seamless movement of goods, meeting user requirements, and improving the levels of investment in the freight logistics system in order to sustain the required levels of service, including revitalizing railway lines. The process of finalizing the strategy for the revitalization of low-

density branch lines has been put in place. The Draft National Freight Logistics Strategy was compiled;

- the need to expand and extend commitments to new investments in transport infrastructure across all modes, this involves investments in key strategic national corridors for road and rail networks, revitalizing unused and underutilized rail feeder lines, rehabilitating strategic rural access roads and maintaining the development of harbours and airports which are to further contribute to the injection of growth to the South African economy.

A process has been put in place to finalise the strategy for the revitalization of low-density branch lines. Furthermore, the Department has developed a rail and port optimization strategy and action plan to meet the challenges of ensuring that our freight logistics plans and investment as a country, do not drive revenue and economic development potential away from already economically depressed areas of the country;

- the need to establish a stronger regulatory regime for transport and strengthen the oversight function for the Department over transport public entities with the responsibility to deliver services on behalf of the government. Cabinet approved short-term interventions through the Road Accident Fund (RAF) Amendment Bill. Provisional safety permits were issued to more than 1000 operators in the rail industry, with the ultimate issuing of permanent permits by September 2005. In ensuring that Public Entities comply with PFMA requirements the Department has incorporated appropriate sanctions in the new shareholder agreements;
- in terms of transport infrastructure, the national road network was extended through the incorporation of 2070 km of roads previously under the control and ownership of Provinces, with increased involvement by SANRAL. Over 530 km of roads were rehabilitated and 371km of roads improved as well as the development of some 1200 km of roads through private sector participation (toll roads). Labour intensive methods were used so as to ensure that the Department contributes to job creation and the realization of the Expanded Public Works Programme. The Department began a process of developing a master plan for transport that integrates policies and activities across sectors and between spheres of government, as well as addressing the country's role in the region and internationally. In terms of the FIFA 2010 World Cup we have compiled the 2010 Transport Action Agenda so as to ensure that 2010 acts as a catalyst for our general public transport strategy; and
- the robust Arrive Alive Campaign has ensured that we continue to raise the level of awareness among road users of the importance of safety on the roads and the impact of fatalities on individuals, households and the economy as a whole.

A challenge that cannot be ignored is that of capacity. As a Department our critical focus in the next few months has to be to respond to the central question of capacity, and that is whether we have sufficient and appropriate capacity, the proper organizational structures and resources to successfully implement our development programmes, and how best to address this challenge. Another evident challenge is that of repositioning transport so that it underpins South Africa's economic growth, competitiveness and contributes to social development. The opportunities created by the Millennium Development Goals, the implementation of the Yamoussoukro Decision and implementation of the Transport Lekgotla Resolutions

all require urgent attention. Over the past year we have met some of our targets, have seen delays in others and have not achieved a few of the targets we set ourselves.

I would like to express my appreciation to both the management and staff of the Department for their commitment in ensuring that the Department meets its objectives. In conclusion my sincere appreciation goes to the Minister for his leadership and support.

Ms Mpumi Mpofu
Director-General of Transport

