



**CONSOLIDATED  
QUARTER 3 PERFORMANCE REPORT  
AS AT 31 DECEMBER 2016**



## **A. GENERAL INFORMATION**

### **1. STRATEGIC OVERVIEW**

The Cross Border Road Transport Agency (C-BRTA) is mandated to regulate access to the commercial cross-border road transport market. Its regulatory function serves as a catalyst for facilitating trade through transport. Cross-border road transport is a prerequisite for the promotion of economic growth and development, the improvement of the quality of life and social interaction of all citizens within the region.

The C-BRTA embraces reality on the ground in the domestic and regional environments in order to be able to be responsive to the needs of transport sector stakeholders. Therefore, the Agency has adopted an operator centric strategy for the new electoral cycle, 2015 – 2020. The focus of this Strategy is to ensure that all of the Agency's plans are responsive to the needs of the cross-border operators' needs.

The new strategy seeks to leverage on progress achieved by the Changing Gears Strategy, which was used as the "vehicle" to reposition the Agency as a strategic and meaningful player within the cross-border road transport industry.

The Agency has an approved Annual Performance Plan which comprises of quarterly targets which need to be delivered in the 2016/17 financial year. This second performance report is a reflection of the C-BRTA mid-term performance against the Annual Performance Plan 2016-17.

#### **1.1. The C-BRTA Vision**

"The leading Road Transport Trade Facilitation Agency within the SADC region"

#### **1.2. The Mission of the C-BRTA**

"To spearhead social and economic development within the SADC region through facilitating unimpeded cross border road transport movements".

#### **1.3. Core Values**

The values are the core priorities of the Agency's culture. The Agency would endeavour to attract and retain individuals who subscribe to the values below:

- Integrity - we are professional, honest, fair and do not tolerate crime, fraud and corruption
- Transparency - we are open and accountable in our interactions with our stakeholders and staff
- Reliability - we are dependable, trustworthy and value our customers
- Efficiency - we are innovative and passionate about performance
- Effectiveness - we achieve our set goals and objectives with desired outcomes
- Social responsibility - we seek to contribute towards the greater good of our country and continent by supporting social development and economic growth

#### 1.4. Strategic Objectives

To improve its business processes, the C-BRTA has adopted the following five medium term strategic goals;

**Table 1: C-BRTA Strategic Goals**

C-BRTA STRATEGIC GOALS
1. Enhance organisational performance
2. Facilitate unimpeded flow of cross-border transport
3. Promote safe and reliable cross-border transport
4. Promote regional integration
5. Strategic positioning to enhance organisational sustainability

## 2. LEGISLATIVE AND OTHER MANDATES

The C-BRTA is a Schedule 3A public entity in terms of the Public Finance Management Act, No 1 of 1999 (PFMA).

The C-BRTA's strategic goals are informed by various legislative mandates and related Government policies and directives inter alia:

### 2.1. Constitutional Mandate

In the execution of the Agency's functions and in line with the founding legislation, the C-BRTA shall comply with the Constitution of the Republic of South Africa with specific reference to the following sections:

- Section 41: Co-operative governance values;
- Section 195: Basic values and principles governing public administration;
- Sections 231: International agreements.

### 2.2. Legislative and Policy Mandates

- i. **Cross-Border Road Transport Act, 4 of 1998**, provides the Agency with the mandate to improve the unimpeded flow by road of freight and passengers in the region, liberalise market access progressively in respect of cross-border freight road transport, introduce regulated competition in respect of cross-border passenger road transport and to reduce operational constraints for the cross-border road transport industry as a whole, enhance and strengthen the capacity of the public sector in support of its strategic planning, enabling and monitoring functions and to empower the cross-border road transport industry to maximise business opportunities and to regulate themselves incrementally to improve safety, security, reliability, quality and efficiency of services.
- ii. The **National Land Transport Act, 5 of 2009**, provides for the process of transforming and restructuring the national land transport system. In essence it provides for the mandate of the three spheres of authority in the transport sector and confers mandate to these authorities to perform certain functions that includes regulation.

- iii. **National Road Traffic Act, 93 of 1996**, as amended, provides for road traffic matters which shall apply uniformly throughout the Republic of South Africa. The NRTA in essence provides for traffic regulations that govern licensing of motor vehicles, operation of motor vehicles, vehicle road worthiness, driver licensing and fitness.
- iv. The **National Development Plan** identifies the transport sector as one of the major economic pillars for the economic development of Republic. The Plan asserts that South Africa's development is affected by what happens in the region and the world and its success will depend on the country's understanding and response to such developments. It also asserts the need to overcome poor transport links and infrastructure networks, as well as tariff and non-tariff barriers, high cost of doing business in the region as key imperatives that should be overcome if the region is to attract investment and improve trade.
- v. **Tourism Act, 3, of 2014**, provides for the development and promotion of sustainable tourism for the benefit of the republic, its residents and its visitors. The C-BRTA regulates market access to the tourism transport sector through a permit regime. The Agency also has the mandate to conduct law enforcement in regard to compliance to road traffic regulations in the tourism sector.
- vi. The **SADC Protocol on Transport, Communications and Meteorology**, provides for the integration of regional transport, communications and meteorology networks. In essence for road transport the objective of the protocol is to make it as easy as possible for cross border road transport operators to move from one country to the other through reduction of non-tariff barriers, improving harmonisation, provision of adequate infrastructure with the intention of improving efficiency, and facilitating both transport and trade in the region. The Protocol also provides for interventions and actions which responsible authorities or regulatory authorities in the member states at operational level should perform towards improving cross border movements.
- vii. **Hazardous substances Act, 15 of 1973**, which provides for control of substances which may cause injury or ill health to or death of human beings during handling and transportation. Thus, the Act provides for conditions of carriage and transportation of such hazardous goods through corridors, division of such substances or products

into groups in relation to the degree of danger, prohibition and control of the importation, manufacture, sale, use, operation, application, modification, disposal or dumping of such substances and products and other matters connected therewith.

- viii. **Bilateral Agreements** concluded between South Africa and Malawi, Mozambique, Zambia and Zimbabwe, which provide for promoting and facilitating international road freight and passenger services. The agreements provides for formal acknowledgement of the need for the countries to facilitate cross border road transport movements, the conditions of carriage of goods and passengers, the need for harmonisation, vehicle documentation and establishment of Joint Route Management Committees and Joint Committees. They also provide for the need for equal treatment of transport operators and reciprocity between the two member states.
- ix. The **1996 White Paper on Transport** identifies the broad goal of transport being to achieve smooth and efficient interaction that allows society and the economy to assume their preferred form. Transport also plays a leadership role as a catalyst for development. The Paper also sets out the transport vision of the Republic as being the provision of safe, reliable, effective, efficient, and fully integrated transport operations and infrastructure which will best meet the needs of freight and passenger customers among others.
- x. The **SACU MoU**, provides for facilitation and maintenance of effective road transport arrangements, and in particular equitable shares in road transportation with a view to support trade within the Customs Union. The C-BRTA in this regard works towards a common goal of improving cross border road transport operations with a view to improving the sector.
- xi. The **Trans Kalahari Corridor (TKC) MoU**, provides for promotion of effective and integrated management of the TKC. The TKC was established with a view to improve regional trade and economic development through efficient transport. Improving the efficiency of transportation is brought about by reduction of constraints and bottlenecks whilst at the same time reducing externalities, improving market access and improving productivity.

- xii. South Africa is also a signatory to some international conventions, which were designed to enhance the harmonisation and facilitation of efficient road transport movements, namely the **International convention on the harmonisation of frontier controls of goods, of 1982**, which aims to improve international movement of goods by all modes of inland transport; and the **Convention on road traffic, of 1968**, which provides for facilitation of road traffic and increasing road safety through the adoption of uniform road traffic rules. As the Agency implements its mandate, the Agency considers the provisions of these conventions.

### **3. INSTITUTIONAL PERFORMANCE**

The activities of the Cross-Border Road Transport Agency (C-BRTA) are organised in five divisions with projects.

The five programme areas are aligned to the strategic objectives in the form of a performance scorecard that could easily measure the achievements against the set objectives.

The anchor of the Agency is captured in the Annual Performance Plan 2016-17 with targets for each quarter. Further, other operational activities are included in the Operational Plans and monitored on a monthly basis.

The five core functional areas are the following:

#### **A. Administration**

- Human Resources and Administration
- Finance and Supply Chain Management (SCM)
- Office of the Chief Information Officer (CIO)
- Governance and Legal Services

#### **B. Regulatory Services**

#### **C. Road Transport Inspectorate (RTI)**

#### **D. Facilitation and Industry Development (FID)**

#### **E. Office of the Chief Executive Officer (CEO)**

## 4. EXECUTIVE SUMMARY

### 4.1 Overview of Agency's Performance

During the quarter under review, a total of eighteen (18) predetermined indicators were planned, with each division having a minimum of two (2) indicators, with the exception of Finance and Supply Chain Management which had one (1) indicator.

Out of the 18 predetermined indicators that were planned for the quarter, thirteen (13) indicators were achieved. This implies that the organisational performance for the quarter under review is 72.22 % which reflects an 11.11% increase as compared to the 61,11% which was achieved in quarter two (2). The recovered performance for quarter one (1) has been maintained at 83.33% and one predetermined indicator was recovered for quarter 2 which has resulted to 66.67% achievement for quarter 2 and year-to-date performance of 74.07%.

It is important to note that the following indicators are at a risk of not being achieved due to a number of reasons as stated on the respective programmes.

- i. 100% Implementation of the prioritized culture change recommendations from snap survey; (see 5.1.1 below)
- ii. Submitted revised financial sustainability strategy to the Board for approval and implemented cross border user charges as a new revenue stream, (see 5.1.2 below)
- iii. Developed and piloted new permit system at Head Office; (5.1.3 below)
- iv. Upgraded Technology Platforms; (see 5.1.3 below)
- v. Submitted a draft legislative proposal on comprehensive levying of cross border user charges to the Board; (see 5.1.4 below)
- vi. Impact assessment on the three (3) main corridors and refinement of the scientific tool (see 5.2.3 below)

Figure 1 below graphically outlines the Agency's performance as attained by the different divisions in Quarter 3:



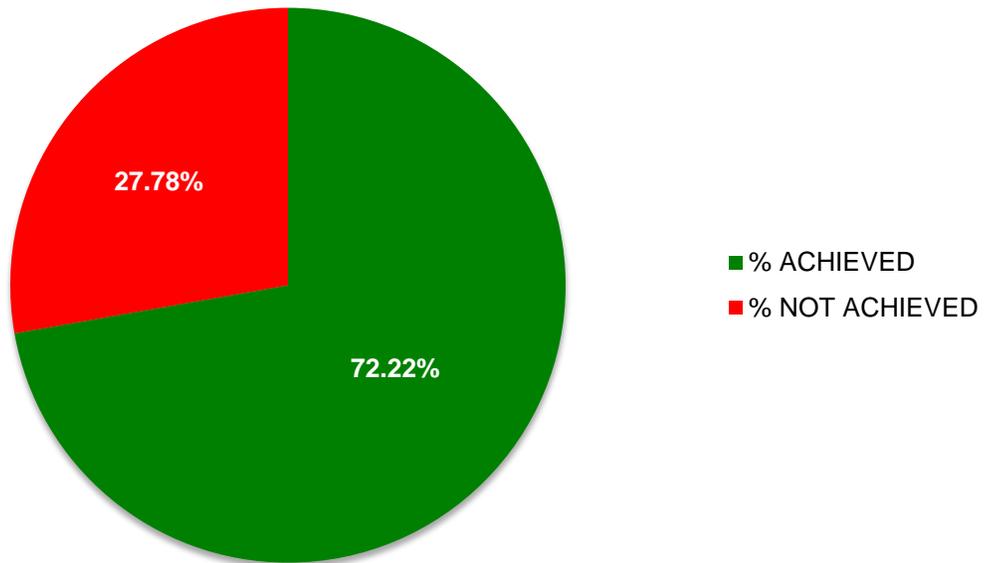
**Figure 1: Performance indicators per division**

Figure 2 below further graphically outlines the Agency’s performance as attained by the different divisions in Quarter 3:

PROGRAMME	Q3			
	KPIs	ACHIEVED	% ACHIEVED	% NOT ACHIEVED
HUMAN RESOURCES & ADMINISTRATION	2	2	100%	0%
FINANCE & SCM	1	0	0%	100%
OFFICE OF THE CHIEF INFORMATION OFFICER	2	0	0%	100%
GOVERNANCE & LEGAL SERVICES	2	1	0%	100%
REGULATORY SERVICES	2	1	50%	50%
ROAD TRANSPORT INSPECTORATE (RTI)	2	2	100%	0%
FID	3	3	100%	0%
OCEO	4	4	100%	0%
<b>OVERALL PERFORMANCE</b>	<b>18</b>	<b>13</b>	<b>72.22%</b>	<b>27.78%</b>

**Figure 2: Breakdown of Performance indicator per division**

## OVERALL PERFORMANCE IN Q3



**Fig 3: Overall Quarter 3 Performance**

## 5. PERFORMANCE INFORMATION BY PROGRAMME

### 5.1 PROGRAMME ADMINISTRATION

#### 5.1.1 Human Resources and Administration

##### 5.1.1.1 Introduction

The purpose of the Human Resources and Administration division is to provide professional advice and related services on human resources and facilities management to enable and enhance business delivery. In the quarter under review the Board approved the revised organisational structure. The structure review was necessitated by the revision of the organizational strategy as detailed in the revised Strategic Plan and the Annual Performance Plan for the next financial year. The structure will be implemented from the beginning of the next quarter.

Significant progress has been made in terms of the RTI Migration process. Consultations with POPCRU were commenced and it is envisaged that consultation with staff will be conducted before the end of January 2017.

##### 5.1.1.2 Divisional Executive Summary

KPI	Planned Target	Actual Performance	Achieved/Not Achieved	Reason for Non-/over achievement
Percentage improvement in organisational culture	Progress report linked to approved implementation plan submitted to Board for noting	The Progress report on improvement in organisational culture was noted by the Board in December 2016.	Achieved	
Facilitate the migration of the Road Transport Inspectorate function to Road Transport Management Cooperation (RTMC)	Progress report linked to approval Implementation Plan submitted to Board for noting	The Progress report on the migration of the Road Transport Inspectorate function to Road Transport Management Cooperation (RTMC) was noted by the Board in December 2016.	Achieved	

### 5.1.1.3 Activities linked to Annual Performance Plan

In the quarter under review primary focus was on execution of the tasks as outlined in the RTI Migration Implementation Plan. Human Resource Due Diligence was conducted and main focus was on comparison between the conditions of employment in the C-BRTA and in RTMC. The report was presented to the Board for noting. Consultation with organised labour was also commenced and an agreement to have consultation roadshows in the next quarter was reached. It is envisaged that these roadshows will be conducted before end January 2017.

### 5.1.1.4 Other Key Divisional Priorities

Activities/Initiatives	Outputs / Evidence	Due Date	Progress	Comments and action plan
Conduct investigations for misconduct by employees within the prescribed timeframes	Quarterly reporting to EXCO of progress on pending investigations	Q3 - 31 Dec 2016	Completed.	
Report prepared and submitted to Board and Committees, Minister, National Treasury and AG	Quarterly reports of allegations and disciplinary and criminal charges of financial misconduct to the Minister, National Treasury and the Auditor-General.	Q3 - 31 Dec 2016	Currently nothing to report on	Not Completed, disciplinary cases still on-going.
Biannual performance reviews in line with Policy	Signed performance reviews by 31.10.2016 and 30.04.2017	31.10.2016	In progress	HR is interacting with divisions to recover outstanding half-yearly reviews. To be completed by the 15 <sup>th</sup> Feb 2017.

#### 5.1.1.4.1 Disciplinary Cases

In the quarter under review no new cases were reported. Of the four (4) matters pending, three were finalised in the quarter under review whilst a final report on the verdict is outstanding.

#### 5.1.1.4.2 Labour Consultative Forum

The Labour consultative meetings between Management and POPCRU were held on various matters such as Wage Agreement. Parties further agreed that other matters will be dealt with after the first Board meeting in 2017. In addition, continue to consult on the RTI Migration.

#### 5.1.1.4.3 Recruitment

The Recruitment Plan for the quarter under review has been finalised as per the planned recruitment and factoring containment process as outlined in the Turn-Around Plan. The recruitment initiatives have been limited in this period.

#### 5.1.1.4.4. Training

Training and development contributes towards the development of a skilled and competent workforce, enhancement of a high performance culture within the organisation and an increase in employee morale. The Chief Financial Officer approved the transfer of R 750 000.00 that was obtained from savings from Advertising, Recruitment, and Venue and Facilities line items in the HR & Administration budget to the Training and Development line item effective 1 October 2016. To date, a total training cost of R 501 871.49 has been committed. The table below depicts all the training that was conducted in Q3.

Training rolled out – Q3							
Occupational Levels	F			F Total	M	M Total	Grand Total
	A	C	W		A		
Skilled Tech and Academically Qualified	15	1	1	17	9	9	26
Unskilled	5			5	1	1	6
Grand Total	20	1	1	22	10	10	32

## 5.1.2 Finance and Supply Chain Management (SCM)

### 5.1.2.1 Introduction

The purpose of this division is to ensure provision of financial and supply chain management services to the Agency and its line functions while ensuring compliance with statutory requirements and best practice models.

### 5.1.2.2 Divisional Executive Summary

KPI	Planned Target	Actual Performance	Achieved/ Not Achieved	Reason for Non-/ over achievement
Developed and implemented new revenue streams as per financial sustainability strategy	Submitted progress report on the implementation of financial sustainability strategy to the Board for noting	A comprehensive business case was developed and submitted to the Department at the beginning of the financial year. A joint task team was established comprising of officials from the Department and C-BRTA to work on the project. The Agency drafted a project plan aligned to the annual performance plan for consideration however the task team ceased to exist and has not meet since the beginning of the second quarter. The approval of the project plan was going to enable the Agency to start consultation with various stakeholders including Department of Trade & Industry, Department of Tourism, SARS, National Treasury and the Department of Internal Relations	Not Achieved	The introduction of cross border charges requires active participation of the Department of Transport as a policy maker and buy-in from various government stakeholders who might be impacted by the introduction of the charges. The Agency prepared letters for the signatures of the Director-General and for dissemination to the various government stakeholders informing them of the need to consult on the introduction of stakeholders. These letters are not yet signed. The Department reported to the Joint Committee that it is planning to conduct a national impact assessment to assess the impact of introducing cross border charges.

KPI	Planned Target	Actual Performance	Achieved/ Not Achieved	Reason for Non-/ over achievement
		and Cooperation. Letters were drafted in the previous quarter for the signature of the Director-General and for dissemination to these stakeholders informing them of the need to consult on our intention to introduce cross border charges. Follow-ups were made with the Office of the Acting Director-General during the quarter and these stakeholders are still not yet informed accordingly. Efforts are being made to arrange a meeting with the Office of the Director-General to activate this project.		

### 5.1.2.3 Activities linked to Annual Performance Plan

With regard to the introduction of cross border charges as a revenue stream, a comprehensive business case was developed and submitted to the Department at the beginning of the financial year. A joint task team was established comprising of officials from the Department and C-BRTA to work on the project. The Agency drafted a project plan aligned to the annual performance plan for consideration however the task team ceased to exist and has not meet since the beginning of the second quarter.

The approval of the project plan was going to enable the Agency to start consultation with various stakeholders including Department of Trade & Industry, Department of Tourism, SARS, National Treasury and the Department of Internal Relations and Cooperation. Letters were drafted in the previous quarter for the signature of the Director-General and for dissemination to these stakeholders informing them of the need to consult on our intention to introduce cross border charges. Follow-ups were made with the Office of the Director-General during the quarter and these stakeholders are still not yet informed accordingly.

Efforts are being made to arrange a meeting with the Office of the Director-General to activate this project. Target not achieved.

#### **5.1.2.4 Other Key Divisional Priorities**

The division is championing the implementation of various cost containment measures with a view of generating surpluses and preserving cash to utilize in the payment of the operator refunds claims. The division is also playing a crucial role in the negotiations of payment terms with the different claimants. Total refunds to operators as at the end of November 2016 amounted to R103, 2 million and a further R32, 9 million has been contracted to be refunded. These refunds are funded from monthly cash surpluses and cash reserves.

Monthly management accounts are produced on a monthly basis and are used to monitor financial performance of the Agency as well as its cash flow. Accounting surplus of R28, 3 million is recoded for the period ending November 2016.

Supply chain management continues to process procurements requirements from the end-users in accordance with the relevant supply chain management prescripts and there is no irregular expenditure incurred to date. Various bid specifications were finalized and will be advertised in the next quarter.

#### **5.1.2.5 Key challenges and corrective action**

The current financial position of the Agency is a challenge as it reflects a state of technical insolvency resulting from the liability for operator refunds. The Agency is implementing cost containment measures to generate surplus that can be used to service the claims for operator refunds.

The introduction of cross border charges as an additional revenue stream for the Agency requires the active support of the Department of Transport. There are on-going efforts to arrange a meeting with the Office of the Director-General to discuss and agree on a way forward on the introduction of the cross border charges.

### 5.1.3 Office of the Chief Information Officer (IT Services)

#### 5.1.3.1 Divisional Executive Summary

KPI	Planned Target	Actual Performance	Achieved/Not Achieved	Reason for Non-/over achievement
Developed and implemented new business system (Permit system)	Submitted progress report as per project plan to the Board for noting	Implementation plan to be updated with latest development. The Progress report has been approved by EXCO and noted by Board accordingly	Not Achieved	Progress Report was not submitted. During quarter 2, a decision was taken by Board to develop the enterprise architecture (EA) for the CBRTA prior to implementing the Permit System. This target was thus put on hold until the EA project is completed. As such no progress report for the New Permit system will be submitted for this quarter.
Optimise Technology Foundation	Submitted progress report as per implementation plan to Board for noting	TOR for the back-end and front end upgrade defined and pending BAC consideration	Not Achieved	Progress report has been approved by EXCO and noted by Board accordingly however the process to procure the required infrastructure is delayed and not in accordance to the plan

#### 5.1.3.1. Activities linked to Annual Performance Plan Performance

##### 5.1.3.1.1 Developed and piloted new permit system at Head Office

The objective of this target is to develop a new permit system that will replace the current legacy system used by the Regulatory Services Division.

The target for the quarter 3 required the IT Division to provide a progress report to the C-BRTA Board for noting on the implementation of the system. During quarter 2 a decision was taken by Board to develop the enterprise architecture (EA) for the C-BRTA prior to implementing the Permit System. This target was thus put on hold until the EA project is completed. As such no progress report for the New Permit system will be submitted for this quarter.

The Enterprise Architecture will outline how all the systems in C-BRTA will interconnect with one another. It will also guide how the Permit Application function will fit in the overall Cross Border Road Transport System that will respond to all the C-BRTA's mandate imperatives. The acquisition of the New Permit Management System will thus commence once the Enterprise Architecture (EA) of the "TO BE" organization is defined. Target not achieved.

#### **5.1.3.1.2 Optimise Technology Foundation**

The objective of this target is to upgrade the technology platforms of the agency i.e. both back-end and front-end to enable efficient and effective IT services. The target for the quarter required submission of the progress report to Board for noting. Target not achieved.

During the last financial year of 2015-2016; the IT division performed an assessment of the back-end technology (i.e. server room); the front-end technology (i.e. tools of trade) and the bandwidth utilization of the Agency's network. The intention was to determine the state of the IT infrastructure and to determine the short-term interventions or solutions required to address the challenges in the Agency'. The outcome of this exercise produced reports that are guiding the implementation of this target. A detailed report was drafted and submitted to Board in this regard.

#### **5.1.3.2 Operational Performance**

The scope for the Information Security Management System (ISMS) is to select appropriate controls and define appropriate policies; processes and procedures to manage and secure C-BRTA's Information Assets. The ISMS Plan was defined for the current financial year and high-level progress is provided in the table below.

The SCM process to obtain an IT Disaster Recovery service provider has commenced and currently the TOR are pending the BAC sitting. It must be noted that the Disaster Recovery Site can only be established once a remote site has been identified and a service provider appointed.

Target number 6 and 7 in the table below is a continuation of the COBIT implementation project which commenced in the last financial year but was not concluded as planned. This was due to a resignation in the team that then destabilised the progress of the project. The COBIT project scope for the external service provider has been finalised during Q3. What remains is the internal scope which has been managed separately and will continue reporting on it in the IT Steering Committee report for ARC and Board.

The summary below provides high-level progress to date and a RAG status on each Operational plan target:

**5.1.3.2.1 Uptime percentage on business.** This is an on-going monitoring of critical systems. Progress is on track.

**5.1.3.2.2 Implement Approved File Plan.** The File Plan has been approved by the National Archives and Records Services of South Africa (NARS SA) Department. The Standard Operating Procedure for the administration of File Registries is being defined and approved. Progress is on track.

**5.1.3.2.3 Implement Intranet.** The intranet project is underway. The project charter and the intranet design have been approved. To date the site has been fully developed. Currently the Communications division is facilitating the content loading on the site. Six of the 8 internal C-BRTA Division has provided the content and thus loaded. It is envisaged that the remaining two Divisions will be loaded in early January 2017 once divisional management has approved the content. Progress is on track.

**5.1.3.2.4 Implement Information Security Management Systems (ISMS).** The approved ISMS Plan defines the scope that the IT Division would cover in the current financial year. The plan considered IT maturity level; budget availability and capacity. Below is progress on those targets in the plan that requires EXCO/Board approval. Progress on other targets is reflected in the detailed progress report.

- The Information Security Policy has been approved by IT Steering Committee and pending EXCO's consideration for approval.
- The draft Information Management policy and Privacy Policy has been drafted and in the agenda of the January IT Steering Committee meeting
- The review of the IT Steering Committee Charter is also in the agenda of the January IT steering Committee.

Progress is lagging behind and anticipated to be recovered in the next quarter.

**5.1.3.2.5 Implement IT Disaster Recovery.** The TOR for acquiring a Disaster Recovery services has been submitted to SCM for further processing and currently pending a BAC sitting. Progress is not on track.

**5.1.3.2.6 Implement Managed Operations and Implement Managed Risks.** No Target for Q1 and Q2. Compliance checks to commence in Q3.

The Managed Operations Process have been defined and approved. Compliance checks have been performed for the Manage Operations Process.

The compliance check for the managed risk process is planned for Q4 and not Q3 as erroneously reported in the last quarter. The Managed Risks Process have been defined and approved following inputs from the Risk Management team.

Progress is on track.

**5.1.3.2.7 Define Manage Project Process and Manage Requirements Definition.** The Manage Project Process and Manage Requirements Definition processes have been defined and pending final review and approval. Approval to be finalising by the end of January 2017. Progress is lagging behind but recovery anticipated for achievement of annual target.

**5.1.3.2.8 IT Service Delivery Reports.** These reports provide business with status of the IT activities in the respective divisions. The reports are due on the 7<sup>th</sup> of January for Q3. Progress is on track.

**5.1.3.2.9 Provide for a form for external Operators to log issues via the internet cbrta website (entry level CRM).** No target for Q3 however Business requirements for the form have been confirmed with the FID Division and pending final approval. Progress is lagging behind but recovery anticipated for achievement of annual target.

#### **5.1.3.3 Key challenges and corrective action**

The main challenge in the IT division involves the current limited IT capacity which is stretched to capacity. The process to fill critical positions is progressing though not at a satisfactory pace. The other key challenge is the long turnaround times of SCM processes as a result acquisitions of some key IT services could not be concluded timeously. This has had an impact on both the APP and some of the Operations Plan targets. Regular engagements are held with SCM management to intervene and expedite.

#### **5.1.3.4 Conclusion**

The unpredictable nature of SCM processes remain a risk to the achievement of both APP targets as they include sourcing of services from external service providers. To mitigate this risk SCM has undertaken to provide project plan for APP targets. SCM and IT would then monitor targets closely.

## 5.1.4 GOVERNANCE AND LEGAL SERVICES

### 5.1.4.1 Introduction

The purpose of the division is to establish sound corporate governance systems, provide guidance to the Board and its subcommittees, monitor and report on compliance matters, conduct investigations to prevent fraud and corruption, provide legal support and advisory services, facilitate internal audit and risk management.

### 5.1.4.2 Divisional Executive Summary

KPI	Planned Target	Actual Performance	Achieved/Not Achieved	Reason for Non-/over achievement
Implemented fraud and corruption prevention programmes	20% fraud and corruption programmes implemented	<p>Awareness campaigns were conducted in 4 regional offices and an operator workshop was held in Gauteng</p> <p>The focus of the awareness campaign and operator workshop was on whistle blowing policy, Anti-Corruption Strategy, Integrity Management Framework, gifts policy and safe reporting mechanisms</p> <p>20,83% was achieved in the quarter resulting to a cumulative YTD achievement of 47,49%</p> <p>Progress report was submitted and noted by the Board</p>	Achieved	

KPI	Planned Target	Actual Performance	Achieved/Not Achieved	Reason for Non-/over achievement
Developed Business Case on comprehensive levying of cross border charges	Board approved draft legislative proposal on comprehensive levying of cross border user charges to the Board	Follow-ups were made with the Office of the Acting Director-General during the quarter for support in consulting government these stakeholders.	Not Achieved	<p>The introduction of cross border charges requires active participation of the Department of Transport as a policy maker and buy-in from various government stakeholders who might be impacted by the introduction of the charges.</p> <p>The Agency prepared letters for the signatures of the Director-General and for dissemination to the various government stakeholders informing them of the need to consult on the introduction of stakeholders. These letters are not yet signed. The Department reported to the Joint Committee that it is planning to conduct a national impact assessment to assess the impact of introducing cross border charges.</p>

#### 5.1.4.3 Activities linked to the Annual Performance Plan

Following the resignation of the Chairperson of the Board and the Deputy Chairperson, the Minister appointed a new Chairperson of the Board and a Deputy Chairperson with effect from November 2016. The Board in the quarter under review, held a strategic planning discussions over a two-day workshop which resulted in the development of 2nd draft APP for FY2017/18

and the Strategic Plan 2015-2020. Furthermore the Board approved the submission of its Performance agreement to be submitted to the Minister with the Draft APP of the next financial year.

#### **5.1.4.3.1 Percentage of Fraud and Corruption Programmes implemented**

The target for the quarter under review was to implement 20% of Fraud and Corruption Programmes. Fraud and corruption awareness campaigns were conducted at Mpumalanga, Mokopane, Free State and Musina regional offices in line with the approved implementation plan. An additional workshop was conducted with operators in Isando (Kempton Park). A total of 96 people attended awareness campaigns (70 inspectors and 26 operators). All attendees were trained on Whistle Blowing Policy, Anti-Corruption Strategy, Integrity Management Framework, Gifts Policy and Safe reporting mechanism to the National Anti-Corruption hotline managed by the Public Service Commission.

As part of implementing the Anti-Corruption Strategy, a Communication plan, Gift registers and fraud risk register were developed. During the quarter, 20.83% was achieved which resulted to a cumulative year-to-date achievement of 47,49%. Therefore, the target for the quarter was achieved.

#### **5.1.4.3.2 Developed Business Case on comprehensive levying of cross border charges**

Consultation processes with other stakeholders and the re-drafting of the discussion paper are underway.

#### **5.1.4.4 Operational Performance**

##### **5.1.4.4.1 Risk Management**

The Board held a strategic planning session on 3 and 4 November 2016 where risk management was discussed including potential risk events, consequences, root causes, existing controls and mitigation strategies which were incorporated into the strategic risk register. As part of the risk assessment process, the risk concepts and methodologies were presented to MANCO in the quarter under review. The risk assessment methodology is in line with the Public Sector Risk Management Framework and the Enterprise Risk Management Framework, supported by the Agency's Risk Management Strategy.

##### **5.1.4.4.2 Compliance**

A submission was drafted for CEO's approval for establishment of a Governance Committee. This was followed by the development of draft TOR for the Governance Committee which is undergoing a review process.

In line with the provisions of section 2(1), the Agency added bilateral agreements with SADC countries, SACU MoU, SADC Protocol on Transport, Communication and Meteorology to ensure monitoring on a quarterly basis and reporting to the Minister.

##### **5.1.4.4.3 Legal Services unit**

In the quarter under review, the Unit vetted one (1) service level agreement, rendered eight (8) legal opinions and developed four (4) documents: litigation business case; litigation procedure manual; summary of CARS matter and litigation report.

The unit manages a number of litigious matters as part of its activities; in the quarter under review a total of 11 cases are being handled and of the 11 cases one case has become dormant while others are pending due to drafting of court papers, amending of court papers, preparation of answering affidavit and supplementary affidavits.

#### **5.1.4.5 Key challenges and corrective action**

Staff capacity within the Integrity Management Services (IMS) Unit remains an issue as the unit is currently being managed by one Forensic Investigator while two other Forensic Investigator positions remain vacant including the vacant a Senior Manager position. Furthermore, unavailability of funds for procurement of marketing materials remains a challenge for the IMS unit which impact on awareness campaigns as marketing materials are required for distribution to regional offices and external stakeholders.

The division will not meet the comprehensive levying of cross border charges key performance indicator due to the project requiring ministerial approval to engage governmental stakeholders. It is anticipated that the target will be met in the new financial year.

## 5.2 REGULATORY SERVICES

### 5.2.1 Introduction

The Division has an annual target of 76 00 permits to be issued which translates to 6 333 permits per month. During the quarter under review, 23 963 permits were issued, resulting in an excess of 4 964 permits of the projected target.

During the quarter under review, the Division also drafted the National Feasibility Assessment Report. Out of two indicators that were due in the quarter, only one was achieved, which is the development and implementation of OCAS. Achievement of the second indicator is compromised by the fact in Zambia, passenger transport is liberalised (deregulated) and will therefore not be able to pilot the model in the absence of an approved national policy on routing. This formed part of the discussion at a recent Joint Committee meeting held with Zambia. This implies that the parameters of the model would have to be updated.

### 5.2.2 Divisional Executive Summary

KPI	Planned Target	Actual Performance	Achieved/Not Achieved	Reason for Non-/over achievement
Implemented scientific tool used by the Regulatory Committee to manage supply and demand of cross border passenger transport	Conducted impact assessment  Refined the MAR tool	Model is being piloted on the Malawi and Zimbabwe route for a period of 6 months ending February 2017.	Not Achieved	The refinement of the model, on the piloted corridors (Malawi and Zimbabwe), can only be executed post the pilot assessment which will be at the end of February 2017. Zambia indicated that passenger transport is liberalised (deregulated) and will therefore not be able to pilot the model in the absence of an approved national policy on routing.
Developed and implemented Operator Compliance Accreditation Scheme (OCAS)	Draft National Feasibility Assessment	Draft National Feasibility Assessment Report.	Achieved	

### **5.2.3 Activities derived from the 2016/17 Annual Performance Plan (APP)**

#### **5.2.3.1 Implemented scientific tool used by the Regulatory Committee to manage demand and supply of cross-border passenger transport.**

The target that was set for the quarter under review was to conduct impact assessment and refine the MAR tool. Consultation was executed with the Road Transport Safety Agency, Zambia during the Joint Committee meeting held in November 2016. Zambia indicated that passenger transport is liberalised (deregulated) and will therefore not be able to pilot the model in the absence of an approved national policy on routing.

Progress on this project is not on track, therefore the target for the quarter was not achieved.

#### **5.2.3.2 Developed and Implemented Operator Compliance Accreditation Scheme (OCAS).**

The target set for the quarter was to draft the National Feasibility Assessment Report. The target was met and the draft National Feasibility Assessment Report was presented to the Regulatory Committee for noting.

Progress for this project is on track, therefore the planned target for the quarter was achieved.

### **5.2.4 Activities linked to Cross-Border Road Transport Act**

#### **5.2.4.1 Review Compliance Checklist for passenger applications in accordance with provisions of legislation.**

The review of the Compliance Checklist will be tabled at the Regulatory Committee meeting of January 2017. Progress for this activity is not on track.

#### **5.2.4.2 Adjudication of application for temporary permits.**

The quarterly permit statistics report will be tabled at the Regulatory Committee scheduled for 24 January 2017 and the progress for this activity is on track.

## 5.2.5 Other Divisional Priorities

**5.2.5.1** Percentage of temporary permits issued from front and remote office within pre-determined turnaround times. Permits issued in line with benchmark – 3 days for compliant remote applications and 1 day for temporary applications. Progress is on track.

**5.2.5.2 Quarterly review of error rate.** Progress is on track - the error rate is below 1%.

ISSUERS	PERMITS/ COMPLIANCE CERTIFICATES	ERRORS	ERROR RATE
Front Office	14 774	34	0.3%
Remote Office	9 276	44	0.4%
<b>TOTAL</b>	<b>24 271</b>	<b>78</b>	<b>0.32%</b>

**5.2.5.3 Number of permits issued.** The annual target is 76 00 permits which translates to 6 333 permits per month. 23 963 permits were issued during the quarter under review 4 964 permits more than the projected target. Progress is on track.

**5.2.5.4 Implementation of Taxi Operator Audit findings.** Process of flagging all operators that have vehicles with dual authority is completed. Renewal applications of operators with dual authority will be channelled through the Regulatory Committee to allow the affected operators to make oral representation to the Committee on why they do double dipping. A legal opinion was sourced on the legality of dual authority, as per a directive from the Regulatory Committee. The opinion will be tabled at the Committee meeting of 24 January 2017. Progress is on track.

**5.2.5.5 Normalisation of RSA / Lesotho passenger operations.** A joint meeting was held on 11 December 2016 to brief the Ministers of Transport on the conclusion of the National Ministerial Task Team activities. The Ministers adopted the NMTT recommendations that cross-border passenger transport should be implemented in strict compliance to the SADC Protocol and SACU MoU and for the implementation of measures to ensure both the safety of cross border road users and to address potential conflict of interest through

vetting of public transport practitioners. Progress as per the NMTT Action Plan is not on track.

**5.2.5.6 Referral of applications for concurrence.** Referrals are dependent on number of applications lodged.

<b>Applications referred to Counterparts</b>			
Swaziland	33 applications	Taxis	
Botswana	12 applications	Taxis	
Namibia	1 application	Taxi	
Malawi	2 applications	Buses	
Mozambique	101 applications 2 applications 2 application	Taxis Organised Groups Buses	
Zimbabwe	64 applications 8 applications 7 applications	Taxis Organised Group Buses	
<b>Applications referred by Counterparts</b>			
Mozambique	95 applications	Goods	
Zimbabwe	1 application	Bus	
Namibia	21 applications 2 applications	Taxis Buses	
Botswana	12 applications	Taxis	

### **5.2.6 Licensing operations**

The Licensing Services Unit issued a total of 23 963 permits during the period under review, which translates into an increase of 1 110 permits or 4.85% year-on-year during the quarter under review.

Permits issued for goods decreased overall by 4.7% during the quarter under review. Only thirty one (31) permits were issued for cabotage goods during the quarter under review. The table below provides a comparison for goods permits for the quarter October – December 2015 and 2016, respectively.

**Table 1: Goods permit statistics**

COUNTRY	OCTOBER - DECEMBER 2015		OCTOBER - DECEMBER 2016	
	Applications Received	Permits Issued	Applications Received	Permits Issued
Angola	29	33	24	32
Botswana	1 526	2 046	1 444	1 955
DRC	712	1 180	788	1 190
Lesotho	744	974	622	780
Malawi	538	606	599	767
Mozambique	2 032	2 712	1 886	2 488
Namibia	1 270	1 676	1 129	1 567
Swaziland	913	1 271	751	1 052
Zambia	2 391	3 399	2 258	3 253
Zimbabwe	2 473	3 144	2 366	3 155
Cabotage	06	30	04	31
<b>TOTAL</b>	<b>12 634</b>	<b>17 071</b>	<b>11 871</b>	<b>16 270</b>

There was an overall increase of 32.4% in permits issued for passengers. Eleven (11) permits were issued for cabotage passengers during the quarter. The table below provides a comparison between permits issued for passenger conveyance for the quarter October – December 2015 and 2016, respectively.

**Table 2: Passenger permits statistics**

COUNTRY	OCTOBER - DECEMBER 2015		OCTOBER - DECEMBER 2016	
	Applications Received	Permits Issued	Applications Received	Permits Issued
Angola	01	01	0	0
Botswana	182	180	211	219
DRC	08	08	02	02
Lesotho	350	398	414	496
Malawi	51	63	70	81
Mozambique	1 962	2 462	2 512	2 967
Namibia	56	57	59	58
Swaziland	224	230	361	333
Zambia	21	21	14	15
Zimbabwe	1 402	1 873	2 195	2 837
Cabotage	07	08	08	11
<b>TOTAL</b>	<b>4 264</b>	<b>5 301</b>	<b>5 846</b>	<b>7 019</b>

The number of permits issued for the conveyance of tourists increased by 40.1% during the quarter under review. The table below shows a comparison between tourist permits for the quarter of October – December 2015 and 2016, respectively.

**Table 3: Tourism permits statistics**

COUNTRY	TOURISM			
	OCTOBER - DECEMBER 2015		OCTOBER - DECEMBER 2016	
	Applications Received	Permits Issued	Applications Received	Permits Issued
	472	481	625	674

### **5.2.7 Key challenges and corrective action**

Zambia indicated that passenger transport is liberalised (deregulated) and will therefore not be able to pilot the model in the absence of an approved national policy on routing. The Regulatory Committee will therefore be advised to implement the model with the revised parameters, i.e. border transit time and vehicle seating capacity. This matter will also be taken up with the internal auditors insofar as it relates to the measurement of the attainment of the indicator.

It has proven quiet problematic to secure the follow-up meetings as a result of the availability of member states to engage in follow-up discussions as well as protracted internal consultations insofar as it relates to Botswana, Namibia and Mozambique.

## 5.3 ROAD TRANSPORT INSPECTORATE

### 5.3.1 Introduction

The division has made strides in ensuring that the quarterly targets are achieved and hence the 100% achievement during the quarter. As a result of the joint law enforcement initiatives during the October Transport Month and in the festive season, the division was able to over-achieve on its number of inspections conducted.

### 5.3.2 Divisional Executive Summary

KPI	Planned Target	Actual Performance	Achieved/Not Achieved	Reason for Non-/over achievement
Percentage increase in the number of inspections conducted	58 534 number of inspections conducted	The percentage increase achieved was 42.45% which is 83 384 inspections.  (58 543 - 83 384 /58 543*100).	Achieved	Enhanced operations during October Transport Month and Festive Season operations.
Number of key findings reports on inspections and prosecutions	Submit Law Enforcement Section 39(2) report to Board for noting	The Law Enforcement Section 39(2) report was submitted and noted by the Board.	Achieved	

### 5.3.3 Operational Performance

The strategic intent of the Division is to improve compliance with road transport legislation. The Division is structured to cover the following focus areas:-

**Law enforcement** - which involves targeted physical road side inspections to ensure compliance with all cross border road transport legislation as well as regional transport agreements, i.e. SADC Protocol on Transport, Communications and Meteorology. This is the core functional area of the programme and involves prosecution of non-compliant operators. Key to the success of the programme is the development of an efficient Inspectorate as well as collaboration with other law enforcement agencies.

**Law enforcement: Profiling** - which involves analysis of enforcement data for intelligence based decision making.

### **5.3.4 Activities derived 2016/2017 Annual Performance Plan**

#### **5.3.4.1 Percentage increase in the number of inspections conducted**

For the quarter under review, the division achieved a total of 83 384 against the target of 58 534 inspections. The target was therefore exceeded by 24 850, which implies that there was 42.45% increase.

There was an improved performance when compared with an achievement of 62 329 inspections that were recorded during the same period (quarter 3 of 2015/2016) last year. The increase is attributed to the coordinated deployment strategy in busy regions during the October Transport Month as well as the festive season. Target Achieved.

#### **5.3.4.2 Number of key findings reports on inspections and prosecutions**

Activities performed in line with the Law Enforcement Section 39(2) were reported and noted by the Board on 14 December 2016. Progress that was recorded is as follows;-

For the quarter under review, 14 224 permits expired and 5 947 were returned. 8 277 expired permits were not returned. Out of the 1 322 permits for minibuses, only 643 were returned and out of 12 269 permits for trucks only 5 103 were returned. The Countries with the highest number of expired permits were Zambia with 2 871, Zimbabwe with 2 436 and Mozambique with 2 144. Tourist permits do not have a specific destination and one was returned.

The percentage of vehicles inspected per mode of transport during quarter three(3) are as follows;-

Out of 77 066 vehicles that were inspected,

- 51% of the inspections were conducted on buses along the N1 corridor through Beitbridge, and
- 45% were conducted in Gauteng.
- 25% of vehicles inspected were trucks along the N1,
- 17% of trucks were inspected in Gauteng,

- 62% of inspected vehicles constitute bakkies on the N1 Limpopo corridor through Beitbridge,
- 25% of vehicles were inspected in Mpumalanga.

These numbers indicate the so-called “Malaishas” that travelled to Zimbabwe using light delivery vans with trailers. 45% of vehicles inspected were mini-buses travelling on the N4 Mpumalanga, followed by 26% on the N1 Corridor through Beitbridge. 2 147 operators were found operating without valid cross border permits on different routes countrywide. 2 490 freight vehicles on all routes were found to have contravened different offences in comparison with 1 086 passenger vehicles. Target achieved

### **5.3.5 Activities linked to the Cross Border Road Transport Act**

#### **5.3.5.1 Developed law enforcement profiles of permit applicants (Part 6 Section 27&28)**

The target this quarter was to submit a law enforcement profile report of permit applicants. The Division was able to successfully profile 464 applicants and present its findings and recommendations to the sub-regulatory committee for the reporting quarter. The report and recommendations served as a guide to the committee in making informed decisions. All applicants who failed to comply with submission of expired permits, passenger lists and have bad law enforcement record were not recommended for new cross border permits.

### **5.3.6 Other Divisional Priorities**

#### **5.3.6.1 Number of borders with permanently deployed Inspectors within 2Km proximity from major borders**

The target was to deploy Inspectors at three (3) major borders as follows:-

(i) Vioolsdrift: Tuesday to Sunday

Deployment at Vioolsdrift port of entry during the reporting quarter was made from Tuesdays to Sundays, except for 28, 29 & 30/9/2016. On 28/9/2016, Inspectors attended the Sasol awareness training session on dangerous goods and from 29-30/9/2016, training in the use of the tonfa baton and pepper spray. The training in the use of the tonfa baton and pepper spray was to address one of the operational risks that have previously

attracted an audit finding. No deployment was made from 23 December 2016 to 31 December 2016 due to the shutdown of the Agency for the festive season. Deployment times were based on intelligence.

(ii) Ficksburg: Monday to Friday

Deployment was made from Mondays to Fridays as per the operational plan deployment strategy. Additional deployment was made over most weekends.

(iii) Skilpadshek: Thursday and Friday

Deployment was made on Thursdays and Fridays from 06:00 to 13:00 as per the operational plan deployment strategy. No deployment was made from 23 December 2016 to 31 December 2016 due to the shutdown of the Agency for the festive season.

### **5.3.6.2 Developed and operationalised Smart Law Enforcement Strategy**

The target for quarter 3 was to implement the intelligence gathering tool in Mpumalanga. The roll out in Mpumalanga for the reporting period involved the deployment of two profiling inspectors to that region. The focus areas of the intelligence and information analysis were inspection data analysis, route profiling, authenticity of cross border permits recorded and operators profiling. The profiling officers were able to gather additional information by conducting clandestine operations in and around taxi ranks and the N4 Corridor. Some of the crucial findings were that:-

- Illegal operators mostly pick up passengers from their homes to avoid detection at taxi ranks and other demarcated pick up points.
- Cross border operators continue to operate with fraudulent permits, cancelled permits, expired permits and some with no permit.
- The majority of fraudulent passenger permits are altered on 14 days permits.
- Freight operators mostly comply with the permit conditions because they apply for a five year permit and not for temporary permits.

### 5.3.6.3 Number of regional inspections

Quarter 3 target is to conduct inspection at regions. The target is to conduct two inspections per region during the financial year. The first round of inspections has been conducted during the first semester. Planning for the second round of inspections is underway in order to finalise the inspections by the end of the financial year.

### 5.3.6.4 Ensure institutionalisation of a service oriented culture within Road Transport Inspectorate

The target for quarter 3 was the number of complaints resolved

For the reporting period four complaints were received and three were finalised. The complaints ranged from requests to withdraw notice, request for re-imbursement and one for alleged corruption. One complaint is under investigation. The table below is an extract of the complaints register for quarter 3 of 2016/2017.

October 2016 to December 2016					
Monthly serial number	Name & particulars of complainant	Nature of complaint / enquiry	Region	Investigation assigned & date assigned	Outcome & manner of closure
1/11/2016	Mr Harold Reed Central African Road Services (CARS) (Pty) Ltd Tel. 011 898 0881 <a href="mailto:Harold@carstransport.co.za">Harold@carstransport.co.za</a>	Request to withdraw notice	Gauteng	Director Mohapi 4-11-2016	9-11-2016 File (Fines withdrawn- [No violation of NRTA] Complainant satisfied)
2/11/2016	Anonymous Cross Border Operators	Alleged Corruption Inspector Moropane	Limpopo (Mokopane)	Mr Chetty 8-11-2016	Under Investigation

October 2016 to December 2016					
Monthly serial number	Name & particulars of complainant	Nature of complaint / enquiry	Region	Investigation assigned & date assigned	Outcome & manner of closure
3/11/2016	Mr Chris Grobler Suburu – Centurion E-mail: <a href="mailto:chris.grobler@suburu-pretoria.co.za">chris.grobler@suburu-pretoria.co.za</a>	Request for re-imburement on AG paid	Mpumalanga	Director D Van Rensburg 9-11-2016	1-12-2016 Unfounded
1/10/2016	Ms Linda Meghanrie Farming Beeline Transport <a href="mailto:beeline@vodamail.co.za">beeline@vodamail.co.za</a> Cell 083 3311 740	Request to withdraw fine	Musina	Director Mametja	15-12-2016 File Placed on Court roll

### 5.3.6.5 Reduce reported incidents of attacks on Inspectors by 50%

Quarter 3 targets were:-

- (1) One engagement with the route committee,
- (2) Deployment of Inspectors with other law enforcement officers as far as practically possible

#### (1) Engagement with the route committee

A joint meeting was held with the N4 and N1 Corridor Executives on 2 November 2016. Issues discussed ranged from driver behaviour, fraudulent permits, illegal operators, verification of permits and vehicles, joint law enforcement operations and flagging project. The Committees responded positively and appreciated the engagement.

#### (2) Enhance safety of Inspectors at operations

Inspectors have been issued with bullet proof vests, tonfa batons and pepper spray. Regional Managers were directed to ensure that that all Inspectors are paraded and inspected before

deployment. Inspectors are deployed with other law enforcement officers or in close proximity to them. No incident of attacks on Inspectors was reported.

### **To influence strategic partners**

Quarter 3 target was to implement the law enforcement stakeholder engagement plan.

### **Meetings with stakeholders**

48 meetings were held with external stakeholders during the reporting quarter as follows:-

Limpopo: 8, KwaZulu-Natal: 10, Gauteng: 8, Free State: 8, North West: 6, Mpumalanga: 5 and Upington: 3. Majority of the meetings were held with stakeholders such as the South African Police Service, Department of Justice (Courts), Department of Transport, Border Control Coordinating Committee (National, provincial & local level) and local municipalities. Critical discussions during these meetings were around operational matters and joint law enforcement initiatives.

The Executive Manager and Senior Managers from Road Transport Inspectorate are seconded to the Border Movement Agency and serve on the Operations Task Team, Risk Task team and Infrastructure Sub-Committee respectively. The Executive Manager and Senior Managers also serve on the C-BRTA / RTMC migration task teams.

### **Joint Law Enforcement Operations**

22 joint law enforcement operations were held in the regions in collaboration with other law enforcement agencies. 5 877 inspections were conducted and 605 notices issued totalling R943 000.00.

### **5.3.7 Key challenges and corrective action**

There were no key challenges in the quarter under review.

## 5.4 FACILITATION AND INDUSTRY DEVELOPMENT

### 5.4.1 Introduction

The Facilitation and Industry Development Division facilitates the resolution of constraints, challenges facing cross-border operators and further identifies opportunities for their empowerment and designs programmes to develop the cross-border industry.

The Division also provides strategic support by driving initiatives within the areas of strategic projects in the Agency to enable the organisation to achieve its objectives and goals. It also conducts in-depth research in the relevant areas to provide scientifically-driven solutions to the Agency and information to key industry stakeholders to inform decision-making towards resolving challenges in the cross-border road transport industry.

### 5.4.2 Divisional Executive Summary

KPI	Planned Target	Actual Performance	Achieved/Not Achieved	Reason for Non-/over achievement
Percentage of operator constraints addressed within 6 months	Submitted report on 70% operator constraints addressed and resolved within 6 months to the Board for noting	The percentage achieved at the end of the quarter was 71.42% based on resolution of five(5) out of seven(7) constraints that were registered.  The progress report on operator constraints addressed was submitted to the Board for noting.	Achieved	
Percentage of operator conflicts addressed within 6 months	Submitted report 70% on resolution of passenger transport conflicts registered to the Board for noting	The percentage achieved at the end of the quarter was 33% based on resolution of one(1)out of three(3) conflicts that were registered.	Achieved	

KPI	Planned Target	Actual Performance	Achieved/Not Achieved	Reason for Non-over achievement
		The progress report on passenger transport conflicts resolved was submitted to the Board for noting.		
Number of the Industry Partnership Development Plan (IPDP) recommendations implemented	Submitted Board Stakeholder forum reports for noting	Progress Report on Municipality Stakeholder Forum was submitted to the Board for noting	Achieved	

### 5.4.3 Activities linked to Annual Performance Plan

The following progress was made on Key Performance Targets due in the quarter:

#### 5.4.3.1 70% resolution of operator constraints addressed within 6 months of reporting.

Freight and passenger cross-border operators face challenges along the various corridors while conducting their business. These barriers and constraints are encountered domestically in South Africa or in the destination or transit country. In the quarter under review, Joint Route Management Group and Joint Committee meetings were held with Zimbabwe and Zambia. These are meetings designed to address the needs of operators and most importantly to resolve constraints raised by operators. Target achieved

For the period under review, the following performance was achieved:

- Three constraints were carried over from Quarter 2;
- Four constraints were reported in Quarter 3;
- Two constraints were resolved in Quarter 3;
- Three constraints were escalated in Quarter 3; and
- Two constraints are outstanding.

#### **5.4.3.2 70% resolution of passenger transport conflicts registered and resolved within 6 months**

From time to time cross-border taxi operators will complain about the operations of other cross-border stakeholders that impact negatively on their business. These complaints can be in a form of intra-association conflict or inter-association conflict.

For the period under review, the following performance was achieved:

- Two conflicts were carried over from Quarter 2;
- One conflict was reported in Quarter 3;
- One conflict was resolved in Quarter 3; and
- Two conflicts remain unresolved

The Progress Report was submitted to the Board for noting, target achieved.

#### **5.4.3.3 Number of IPDP recommendations implemented**

The Agency convened a Municipality Transport Forum during the quarter. The Forum meeting was attended by 13 Municipalities including Johannesburg, Tshwane and Ekurhuleni. Three Municipalities presented on their challenges and concerns regarding cross-border operations in their respective jurisdictions and proposals were made to respond to the issues raised.

The Agency also highlighted the challenges posed by Municipalities in as far as cooperation on and response to permit referral processes. An Action Plan was developed to address the issues raised by the Agency and Municipalities to ensure that a monitoring and evaluation mechanism is put in place. Stakeholders were also assigned specific responsibilities and timelines in the Action Plan to ensure decisions taken are implemented in time. The Stakeholder Forum Report was submitted to the Board for noting, target achieved.

## 5.5 OFFICE OF THE CHIEF EXECUTIVE OFFICER

### 5.5.1 Introduction

### 5.5.2 Divisional Executive Summary

KPI	Planned Target	Actual Performance	Achieved/Not Achieved	Reason for Non-/over achievement
Number of Annual State of Cross Border Operations Reports (ABSCOR) submitted to the Minister and other relevant stakeholders	Submitted progress report on ASCBOR to the Board for noting	The Progress Report for ASCBOR was submitted to the Board for noting.	Achieved	
Number of Country profiles developed or updated	Progress Report on development of country profile (Lesotho)	The Progress Report for the Lesotho Country Profile was submitted to the Board for noting.	Achieved	
Percentage achieved on client satisfaction survey conducted on freight and passenger (taxi and buses) operators	1 survey conducted on freight transport operators	Survey conducted on Freight Operators.	Achieved	
Number of initiatives to increase C-BRTA's visibility	At least 1 paper presented at transport conferences	One presentation each at the 23rd World Congress on Intelligent Transport Systems 2016, the 3rd Connecting Africa Conference, the 3rd International Conference on Transportation in Africa, and the National Traffic Indaba 2016.	Achieved	

### **5.5.3 Activities linked to Annual Performance Plan**

#### **5.5.3.1 Annual State of Cross-Border Operations Report**

In the quarter under review, the Division conducted data gathering and analysis, stakeholder consultations, analysis of the North-South Corridor, Maputo Development Corridor and Trans-Kalahari Corridor and related key border posts and regional developments that may affect cross-border road transport.

Meanwhile, the Division also conducted desktop benchmarking of the Greater Mekong Corridor, the Northern Corridor in East Africa and trade and transport facilitation initiatives in West Africa. The Division also sustained the drafting of the report in the same quarter. Chapters 4 – 8 of the Report were completed. Target for the quarter was therefore achieved.

#### **5.5.3.2 Development of Country Profile Reports**

In this financial year, the target for the Division is to develop two Country Profiles for Malawi and Lesotho. In the quarter under review, the Division conducted data gathering and analysis for the Lesotho Country Profile. The Division also commenced and sustained the drafting of the Country Profile. The first three Chapters of the Report were completed. Target for the quarter was achieved.

#### **5.5.3.3 Percentage achieved on client satisfaction survey conducted on freight and passenger (taxi and bus) operators**

The Customer Satisfaction Surveys are used to measure customer satisfaction or dissatisfaction with respect to specific areas of the Agency and its services. They also offer an outside perspective to the Agency's operations and perception.

A total of 356 freight survey forms were distributed to and completed by freight operators in the quarter. A customer satisfaction level of 73% was reported from the survey. Overall, the comments received from the survey were extremely positive giving an indication that most of the customers was satisfied with the services that the Agency offers. Target for the quarter was therefore achieved.

#### **5.5.3.4 Initiatives to increase visibility of the Agency**

The target is to present a paper at one conference each quarter. In the quarter under review, four papers were presented at the 23<sup>rd</sup> Intelligent Transport Systems World Congress, the 3<sup>rd</sup> Connecting Africa Transport Infrastructure Conference, the 3<sup>rd</sup> International Conference on Transportation in Africa, and the National Traffic Indaba 2016.

The Division participated at the 2016 Global Development Finance Conference in the quarter. Meanwhile, three abstracts were submitted to the Southern African Transport Conference (SATC) 2017 and they were accepted for presentation. Target for the quarter was achieved.

#### **5.5.4 Other Divisional Priorities**

##### **5.5.4.1 Develop and maintain appropriate stakeholder consultative networks and establish appropriate stakeholder consultative forums with a view to facilitate the unimpeded flow of cross- border transport**

The following route committee meetings were convened to discuss operational issues impacting on cross border operations during the period under review:

- RSA/Swaziland Executive Committee;
- RSA/Mozambique MANCO;
- RSA/Zimbabwe MANCO; and
- RSA/Swaziland MANCO.

##### **5.5.4.2 Implement strategies to encourage the cross-border road transport industry to become more self-regulatory**

A workshop for cross- border taxi associations was conducted to afford operators an opportunity to provide inputs and comments on the draft constitution. A request was made by associations to be afforded time to peruse the constitution with their respective constituencies.

##### **5.5.4.3 Research Projects**

The Division conducted research and development of respective reports and/ or milestones for various research projects as follows:

- Refinement of Model to Estimate the Cost of Doing Business on the North-South Corridor

The Division developed a draft Model for estimating the cost of doing cross-border road transport business on the North-South Corridor in the 2015-16 financial year. The Division is now undertaking Model refinement with a view to enhance the integrity of the Model. Data gathering and stakeholder consultations were conducted in the Trans-Kalahari and North South Corridors in order to validate data obtained in earlier phases of the project.

- Feasibility study for the establishment of a Cross-Border Road Traffic data gathering system

The major aim of this project is to conduct feasibility for the establishment of a cross-border data gathering system. It is envisaged that the project will provide invaluable information in regard to the nature and capabilities of a system that may be implemented to gather cross-border related traffic data. Such data will be used for strategic and operational decision making by the Agency as well as other stakeholders with interest in cross-border road transport. In the quarter under review, the Division completed stakeholder consultations and sustained drafting of research report and the draft report was completed. Meanwhile, the drafting of the Feasibility Report commenced.

#### **5.5.4.4 Participate in assigned Task Teams and Steering Committees**

The Division actively participates in various platforms and structures in the domestic and regional transport industry with a view to provide advice that advances the broader objectives of improving the unimpeded flow by road of freight and passengers, reducing operational constraints, reducing the cost of doing business and enhancing productivity and efficiency in the transport industry.

In the quarter under review, the Division participated in various engagements that include BMA, National Transport Forum, DoT/RTMC/C-BRTA workshops and summits, and the COMESA-EAC-SADC tripartite validation workshop. Meanwhile, the Division also hosted the National Transport Forum Pillar 3 meeting in the quarter.

#### **5.5.5 Key challenges and corrective action**

No major challenges were experienced by the Division in the quarter under review.