



# Strategic Plan 2015-2020



**CROSS BORDER**  
ROAD TRANSPORT AGENCY

# **Strategic Plan**

2015 - 2020

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## FOREWORD BY THE EXECUTIVE AUTHORITY



The National Development Plan (NDP) calls for all government entities to commit and participate in all initiatives that are geared for achievement of the Vision 2020. The plan is a multi-focused development plan that is intended to enable economic development and regional integration, whilst it holistically responds to other strategic goals outlined in the National Transport Strategy.

Through the entities such the CBRTA which are mandated to regulate, facilitate the free flow of goods and passengers while enhancing the regional integration, improving trade relations and promoting social cohesion between South Africa and its neighbouring countries within SADC, the mid-term review will be utilized as an opportunity for the Agency to focus on building relations especially those that optimize regional integration. C-BRTA's new initiative, "Linking Africa Plan (LAP)" is a concerted campaign aimed at unlocking Africa's trade potential.

As Executive Authority, I support and endorse this Revised Strategic Plan 2015 - 2020 and commit to monitoring continuous progress made towards the delivery of the strategy.

A handwritten signature in black ink, appearing to read "Dipuo Peters". The signature is stylized and cursive.

**Ms Dipuo Peters, MP**

Minister of Transport

Date: 12/03/2017

## FOREWORD BY THE ACCOUNTING AUTHORITY



Transportation is acknowledged as an important driver of economic growth and development. The sector accounts for a large proportion of infrastructure investment in most sub-Saharan countries and its quality and performance affects the productivity of other sectors. Infrastructure under-development (inefficiencies) along regional road transport corridors are partly to blame for the low level of intra-Africa trade that currently stands at around 10-12%, compared to 60% and 40% intra regional trade achieved in Europe and North America respectively. Africa's economies are anchored on minerals and consumption whilst it is riddled with inexplicable barriers to trade, yet appears to be helpless in unraveling these afflictions. As a result, as African countries seek to promote economic integration, it is critical to focus on creating solid transport infrastructure networks that links Africa to the global economy.

Road transport is a dominant mode of transport that carries over 80% of regional traffic in SADC. Despite the strategic importance of the road transport sector, the quality of road networks in the region still lags far behind most countries in the world and needs improvement. Existing challenges range from disjointed planning and policy setting at regional level to inefficient transport regulations, lack of intermodal integration, insufficient and poorly maintained road infrastructure. This situation is a result of the approach that was adopted for management of borders as security control points, rather than trade facilitation points. This is reflected in poor regional connectivity and poorly designed border posts that hinder the seamless movement of traffic across national boundaries. The impact of border post impediments on intra-regional trade flows can never be overstated; they materialise in delays and reduce the efficiency of cross-border road transport operations.

Focus on resolving these inefficiencies should be given priority given that there are 54 land border posts between South Africa and immediate neighbouring countries. Of the 54 borders, 20 are designated commercial border posts. C-BRTA is currently active at 23 border posts, including Beitbridge, Lebombo, Maseru and Skilpadshek border post which are the busiest as they are located in the corridors linking South Africa to the SADC region through the North-South Corridor (N1), Trans-Kalahari Corridor and the Maputo Corridor (N4). These corridors carry over 70% of commercial traffic, both passenger and freight vehicles.

Improving regional connectivity is important to promote intra-regional trade and economic development in the SADC region through addressing impediments along the entire transport value chain (road transport corridors). There are some efforts currently in progress to respond to these challenges; however, most border post projects revolve around the establishment of One Stop Border Posts (OSBP's) and display a regional character that depends on the establishment of Collaborative Border Management (CBM) to succeed.

In 2012, SADC adopted the Regional Development Infrastructure Master Plan (RIDMP) which is a 15 years blueprint intended to address transport infrastructure constraints and inefficiencies. It reflects approved regional infrastructure development projects that aim to improve regional connectivity. The SADC Secretariat further launched the Project Preparation Development Facility (PPDF) to secure funding and support member states in packaging Public Private Partnerships (PPP) project. The emergence of the Tripartite that includes the Common

Market for Eastern and Southern Africa (COMESA), the East African Community (EAC) and the Southern African Development Community (SADC) will shape the future of the cross-border road transport industry. All 26 countries forming part of the Tripartite (South Africa included) support the single multilateral cross border road transport (MCBRT) permit initiative.

C-BRTA's new initiative, "Linking Africa Plan (LAP)" is a concerted campaign aimed at unlocking Africa's trade potential. It is anchored on the thesis: "Without transport, there can be no trade. Without trade, there can be no meaningful industrialisation. And without industrialisation, African economies cannot be meaningfully diversified because there is no sufficient buying power inherent in the African continent itself". LAP is a mechanism for repositioning the role of transport and trade as twin partners that can be catalysts for enabling African countries to transform and diversify their economies by providing them with an incentive for industrialisation through peer influence.

Additionally these new initiatives constitute the basis for the C-BRTA to become one of the active 'constructors' in the translation of the Tripartite Free Trade Area Agreement between COMESA, EAC and SADC, beyond it being yet another proclamation, but to ensure its realisation in practical and objective terms.

Given the complexity of the environment in which the Agency operates, the most powerful instrument for achieving value for the cross-border operators is through peer influence, and to this end will continue to collaborate with other role players in the border and corridor environment. The Border Management Authority (BMA) has been established at national level and Cabinet approved the BMA Bill in 2015. The Agency supports the new border management paradigm since it believes that a single authority structure, managing border post operations will not only secure and protect South Africa's borders, but also improves the seamless movement of cross-border traffic across national boundaries. This will enhance trade and regional development and benefit cross-border road transport operators.

As a role-player in the cross-border environment, the C-BRTA embraces regional and national initiatives since the Agency believes that the implementation of transport reforms will improve the seamless flow of traffic within the region. Improved traffic movements within SADC will also yield national gains; with regard to achieving the objectives set out in the National Development Plan (NDP). At Agency level, the implementation of the Operator Compliance Accreditation Scheme (OCAS) is also moving ahead. Extensive stakeholder engagements during the past financial year resulted in growing support for OCAS, with more role-players acknowledging the advantages that this scheme will pose to cross-border road transport operators, once implemented.

In conclusion as the Chairperson of the C-BRTA Board, I would like to commit on behalf of the Agency, its leadership and all staff that this Revised Strategic Plan is achievable and has been aligned to our limited financial and human resources. Furthermore, the C-BRTA shall continue to support the Department of Transport towards the delivery of a sustainable, efficient, safe and reliable cross-border road transport system.



**Mr M Ramathe**  
**Chairperson, Accounting Authority**

## OFFICIAL SIGN-OFF

It is hereby certified that this Revised Strategic Plan:

- Was developed by the management of the Cross-Border Road Transport Agency under the guidance of the Department of Transport;
- Takes into account all the relevant policies, legislation and other mandates for which the Cross-Border Road Transport Agency is responsible for; and
- Accurately reflects the strategic outcome oriented goals and objectives which the Cross-Border Road Transport Agency will endeavor to achieve over the period 2015-2020.

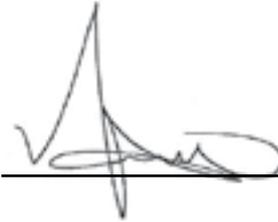
**Mr A.N. Maepa**  
Chief Financial Officer

Signature: \_\_\_\_\_



**Mr S. Khumalo**  
Chief Executive Officer

Signature: \_\_\_\_\_



**Mr M Ramathe**  
Chairperson, Accounting Authority

Signature: \_\_\_\_\_



**APPROVED BY:**

**Ms D. Peters**  
Minister of Transport  
Executive Authority, C-BRTA

Signature: \_\_\_\_\_



# PART A: STRATEGIC OVERVIEW

## 1. OUR VISION

The champion of free-flowing inter-state operations

## 2. OUR MISSION

We spearhead the unimpeded flow of inter-state operations thereby facilitating sustainable social and economic development.

## 3. OUR CORE VALUES

The values, abbreviated "ITREES" are the core priorities of the Agency's culture. The Agency will endeavour to attract and retain individuals who subscribe to the value 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

### 3.1 OUR PEOPLE

- ☉ C-BRTA actively seeks people with talent and enthusiasm to contribute to an emerging area of strategic importance to the South African Government.
- ☉ We strive to be an employer of choice.
- ☉ C-BRTA promotes a culture of professionalism, innovation and integrity, with a commitment to accountability, quality and excellence in the delivery of all our services.
- ☉ We recognise the unique skills and abilities of each individual that joins the C-BRTA team, all of whom possess a wide range of experience and expertise that is vital to the success of our organisation.
- ☉ C-BRTA promotes an exclusive workplace which encourages the exchange of rich insight, fresh perspectives, and innovative thinking between individuals, which deliver powerful synergies with other sister government agencies.
- ☉ We support our people through ongoing development and learning opportunities, and create a supportive team environment for all our people.

## 4. LEGISLATIVE AND POLICY MANDATES

### 4.1 CONSTITUTIONAL MANDATE

In executions of the Agency's mandate, the C-BRTA shall comply with the Constitution of the Republic of South Africa as the supreme law of this country with specific reference to the following sections:

- Section 9: Bill of Rights
- Section 41: Co-operative governance values;
- Section 195: Basic values and principles governing public administration;
- Sections 231: International agreements.

### 4.2. LEGISLATIVE AND POLICY MANDATES

#### 4.2.1. CROSS-BORDER ROAD TRANSPORT ACT

The Cross-Border Road Transport Agency (C-BRTA) is a Schedule 3A public entity in terms of the Public Finance Management Act, No 1 of 1999 (PFMA). It was established in terms of the Cross-Border Road Transport Act, 4 of 1998, as amended and places the following key responsibilities on the Agency:

- improve the unimpeded transport 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.

#### 4.2.2. NATIONAL LAND TRANSPORT ACT (NLTA), 5 OF 2009

The NLTA 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.

#### 4.2.3. NATIONAL ROAD TRAFFIC ACT (NRTA), 93 OF 1996 AS AMENDED

This Act 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

#### 4.2.4. TOURISM ACT, 3, OF 2014

The Tourism Act provides for the development and promotion of sustainable tourism for the benefit of the republic, its residents and its visitors.

The Agency has the mandate to conduct law enforcement in regard to compliance to road traffic regulations in the tourism sector.

### 4.3. POLICY MANDATES

POLICY MANDATE	KEY ALIGNMENTS
<p><b>National Development Plan (NDP)</b></p>	<p>The Agency is responsible for the implementation of the following:</p> <p><b>Chapter 7: Positioning South Africa in the world</b></p> <p><b>Objectives:</b></p> <ul style="list-style-type: none"> <li>• Intra-regional trade in Southern Africa should increase from 7 percent of trade to 25 percent of trade by 2030.</li> <li>• South Africa's trade with regional neighbours should increase from 5 percent of our trade to 30 percent.</li> </ul> <p><b>Action:</b></p> <ul style="list-style-type: none"> <li>• Implement a focused regional integration strategy with emphasis on: Road, rail and port infrastructure in the region.</li> <li>• Reduce red tape, corruption and delays at border posts.</li> </ul> <p><b>Chapter 13: Building a capable state</b></p> <p><b>Objectives:</b></p> <ul style="list-style-type: none"> <li>• Staff at all levels have the authority, experience, competence and support they need to do their jobs.</li> <li>• Relations between national, provincial and local government are improved through a more proactive approach to managing the intergovernmental system.</li> <li>• Clear governance structures and stable leadership enable state-owned enterprises (SOEs) to achieve their developmental potential.</li> </ul> <p><b>Action:</b></p> <ul style="list-style-type: none"> <li>• Use assessment mechanisms such as exams, group exercises and competency tests to build confidence in recruitment systems.</li> <li>• Use placements and secondments to enable staff to develop experience of working in other spheres of government.</li> <li>• Take a more proactive approach to resolving coordination problems and a more long-term approach to building capacity.</li> <li>• Adopt a less hierarchical approach to coordination so that routine issues can be dealt with on a day-to-day basis between mid-level officials. Use the cluster system to focus on strategic cross-cutting issues and the Presidency to bring different parties together when coordination breaks down.</li> <li>• Develop public interest mandates for SOEs. Improve coordination between policy and shareholder ministries by making them jointly responsible for appointing the board. Ensure appointment processes are credible and that there is greater stability in appointments.</li> </ul> <p><b>Chapter 14: Fighting Corruption</b></p> <p><b>Objective:</b></p> <p>A corruption-free society, a high adherence to ethics throughout society and a government that is accountable to its people.</p> <p><b>Action:</b></p> <ul style="list-style-type: none"> <li>• An accountability framework should be developed linking the liability of individual public servants to their responsibilities in proportion to their seniority.</li> <li>• Clear rules restricting business interests of public servants should be developed.</li> <li>• Corruption in the private sector is reported on and monitored by an agency similar to the Public Protector.</li> <li>• Restraint-of-trade agreements for senior civil servants and politicians at all levels of government.</li> <li>• All corrupt officials should be made individually liable for all losses incurred as a result of their corrupt actions.</li> </ul>
<p><b>SADC Protocol on Transport, Communications and Meteorology</b></p>	<ul style="list-style-type: none"> <li>• Develop harmonised road transport policy providing for equal treatment, non-discrimination and reciprocity.</li> <li>• Liberalise market access for road freight operators.</li> </ul>
<p><b>Bilateral Agreements between South Africa and Malawi, Mozambique, Zambia and Zimbabwe</b></p>	<ul style="list-style-type: none"> <li>• Promote and facilitate cross-border road freight and passenger.</li> <li>• Simplify existing administrative requirements: Harmonisation.</li> <li>• Ensure compliance to regulations.</li> </ul>

POLICY MANDATE	KEY ALIGNMENTS
<b>1996 White Paper on Transport</b>	Identifies the broad goal of transport being to achieve smooth and efficient interaction that allows society and the economy to assume their preferred form and play a leadership role as a catalyst for development. The Paper also sets out the transport vision of the Republic to provide safe, reliable, effective, efficient, and fully integrated transport operations and infrastructure which will best meet the needs of freight and passenger customers among others.
<b>SACU MoU</b>	Provides for facilitation and maintenance of effective road transport arrangements, and in particular equitable shares in road transportation with a view to supporting trade in 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.
<b>Trans Kalahari Corridor (TKC) MoU</b>	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.
<b>International convention on the harmonisation of frontier controls of goods, of 1982,</b>	Designed to enhance the harmonisation and facilitation of efficient road transport movements.
<b>Convention on road traffic, of 1968</b>	Provides for facilitation of road traffic and increasing road safety through the adoption of uniform road traffic rules.

#### 4.4. RELEVANT COURT RULINGS

There have been no relevant court rulings even though there are current pending court cases that might have significant financial implications for the Agency. Those court cases are as follows:

##### 4.4.1. CENTRAL AFRICAN ROADS SERVICES (CARS) VS. C-BRTA AND MINISTER OF TRANSPORT

The Minister promulgated Cross-Border Road Transport Act Regulations, 2014 ("2014 Regulations") on the 6 May 2014. The applicant filed a review application on the Agency on 1 September 2014 seeking an order in the following terms:

- Reviewing and setting aside the 2014 Regulations promulgated on 6 May 2014;
- Declaring the 2014 Regulations to be inconsistent with the Constitution and invalid; and
- Ordering the respondents to pay the costs of the application.

The applicant contends that 2014 Regulations are inconsistent with the Constitution and invalid.

##### 4.4.2. ROAD FREIGHT ASSOCIATION (RFA) VS. MINISTER OF TRANSPORT AND THE C-BRTA

The applicant, RFA filed a review application on the Agency on 14 September 2015 seeking an order in the following terms:

- The late filing of the review application is condoned to the extent necessary and/or the time periods with which the applicant did not comply if any are varied in accordance with the provisions of the section 9(2) of the promotion of Administrative Justice Act of 2000;
- The Minister's decision to promulgate and/or implement the tariff published in the Government Gazette no.37614 on 6 May 2014 is reviewed and set aside with full retrospective effect;
- The tariff that was in place immediately before the new tariff was promulgated as published in Government Notice R677 on 2 June 2003 is deemed to have been the operative tariff from its inception including the period after 6 May 2014;
- Declaring that cross-border road freight operators who purchased permits under the new tariff are entitled to a refund of the difference between what they paid under the new tariff less what they ought to have paid under the old tariff; and
- Cost of the suit.

## 5. SITUATIONAL ANALYSIS

### BACKGROUND

The Agency has been self-funding, since its establishment in 1998, primarily through the levying of fees for the issuing of cross-border permits. As a result of the Agency's increase of the permit tariffs for the first time in 2011 since 2003 to improve its revenue base from approximately R50 million to a revenue base of R168 million, the 2011 Amendment Regulations were challenged by some freight operators. The Constitutional Court in May 2015 ruled in favour of the operators which effectively meant that the 2011 Permit Tariff Regulations were invalid with retrospective effect, which in turn created a liability of over R356 million to be refunded to operators. This liability and the threat of unsustainable current revenue streams create uncertainty regarding the Agency's ability to remain a going concern. In light of the facts noted above, the Agency developed a Turnaround Plan that seeks to respond to the financial challenges.

The Turnaround Plan makes provision for initiatives that will boost the Agency's sustainability. Amongst these initiatives is the migration of the Agency's Road Transport Inspection (RTI) function to the Road Traffic Management Cooperation (RTMC) by the beginning of the 2017 - 18 financial year. This is in terms of the Constitution, which calls for the establishment of a single traffic and law enforcement authority. The departure of the RTI function has called for a revision of the C-BRTA strategy to remove the function and present a revised repositioning Strategy as it is a change in the service-delivery environment. The vision and mission of the Agency were subsequently revised. The Vision has been revised from "The leading road transport trade facilitation Agency within the region to "The champion of free-flowing inter-state operations". The mission of the Agency has also been revised from: "We spearhead the unimpeded flow of inter-state operations thereby facilitating sustainable social and economic development" to "We spearhead the unimpeded flow of inter-state operations thereby facilitating sustainable social and economic development". The change in the service delivery environment has called for the review and enhancement of our Strategic Goals, Objectives and key performance indicators.

The vision for the Southern African region is one of the highest possible degree of economic cooperation, mutual assistance where necessary and joint planning of regional development initiatives, leading to integration consistent with socio-economic, environmental and political realities. SADC has adopted a development integration approach which seeks to address production, infrastructure and efficiency barriers to growth and development. South Africa has significant interests in the region and in regional integration. Since 1994 the South African government has regarded the Southern African region as the most important priority in terms of international relations strategy.

There is growing acknowledgement that the transport sector is the enabler or servant of trade. With the increasing demand for mobility in both passenger and freight, especially in the developing world implies a need for a plan that would support the integration of African economies. In this regard, the Agency will champion the development of a Linking Africa Transport Plan which seeks to consolidate the work of the continent in international road transportation trade and social integration.

As part of a larger sectorial transformation agenda of advancing women emancipation and empowerment of emerging transportation businesses in the cross-border industry, the Agency will develop and implement an Industry Development Strategy in the next three (3) financial years. This strategy would be seeking to promote transformation and development of the cross-border industry especially freight, with the main focus being women and youth.

The C-BRTA as a facilitator of the movement of goods and passengers in the region, will partner and collaborate with other players to promote driver wellness in the trucking industry. The focus will be to provide education and empower trucking industry on the prevalence of HIV and Aids. With the prevalence of HIV among sex workers, truckers are at high risk of exposure to the virus, and the implications are far reaching, impacting not only the drivers, their partners and families, but the transport industry and the wider community.

The Agency needs to redefine its focus and put more emphasis on regulating the cross-border industry. This necessitates amendments on the mandate as articulated in the C-BRT Act for the implementation of some initiatives/interventions. As this is

not just a phenomenon for the C-BRTA, the Department has seen it necessary that an alignment and streamlining of all Roads Entities Founding Legislation be conducted.

Despite all the challenges that the Agency has faced in the past, it has managed to achieve great strides over the past two financial years of the implementation of 2015-2020 approved plans. Worthy to note is the resounding first-time ever performance of the previous financial year whereby it achieved a CLEAN AUDIT since its establishment. It is however still important that a proper analysis of the environment in which the Agency operates be conducted so as to ensure that areas of weaknesses and threats are identified.

This will enable identification of mitigating initiatives and possible areas of opportunities. C-BRTA has taken an active role in comprehending the environment within which it operates. The table below reflects the environmental scan using the PESTEL factors undertaken in order to remain relevant and responsive in the execution of the mandate in order to benefit our stakeholders:

## PESTEL FACTORS

ENVIRONMENTAL ASPECT	FACTORS AFFECTING THE OPERATING ENVIRONMENT
POLITICAL	<p>The conclusion of the Consolidated text of the treaty of the SADC 2015 will provide stepping stones for regional cross border operations.</p> <p>However, the multi and bilateral agreements in place have do not necessarily have positive impact on cross border operations due to the following reasons;-</p> <ul style="list-style-type: none"> <li>• The agreements are not binding as each member state is a sovereign country with its own rights;</li> <li>• There are no specific timeframes in terms of review of these agreements;</li> <li>• No political will from member state to implement and thereby subjecting our operators to unfair business practices</li> </ul> <p>The constant change in Senior Office bearers of our counterparts affects cross-border operations, decision continuity and administration. The areas that get affected includes the following:</p> <ul style="list-style-type: none"> <li>• The review and amendment of bilateral agreements;</li> <li>• The envisaged repeal of bilateral cross-border road transport agreements;</li> <li>• The desired harmonisation of operating procedures and legislative frameworks;</li> <li>• Review of major policies;</li> <li>• The roll-out of major projects that requires regional support;</li> <li>• The demand and supply of cross-border transport services;</li> <li>• Political instability in regional countries e.g. Zimbabwe</li> </ul> <p>The introduction of trade barriers such as strict validation measures and surcharge such as Zimbabwean consignment-based conformity assessment programme and the “ban of certain imports” are negatively impacting on intra-regional trade.</p>
ECONOMIC	<p>Trade is impeded by higher costs resulting from complex domestic regulation, insufficient productive capacity and relatively weak infrastructure connectivity that do not allow Africa to benefit from geographical proximity.</p> <p>An assessment of intra-regional trade flows with supporting trade stats indicating higher exports and imports between South Africa and other SADC member states.</p> <p>In relation to intra-regional trade, approximately 12% of African trade is amongst African countries, as compared to 40% trade amongst the North American countries and 63% of Western European countries.</p> <p>The notion of Africans investing in Africa is a growing and positive trend across the continent, exemplified by highly competitive players from retail and fast-moving consumer goods to financial services and real estate.</p> <p>The lack of harmonisation of regulatory instruments, operating procedures and standards in the region has a potential to continue increasing the cost of doing business for transport operators.</p> <p>In addition to that, poor inter-regional trade has a negative impact on the cross border road industry and attraction of foreign investments.</p>

ENVIRONMENTAL ASPECT	FACTORS AFFECTING THE OPERATING ENVIRONMENT
SOCIAL	<p>Employment and food security is highly dependent on economic activities and trends. The prevailing conditions are impacting negatively on any possibility of job creation and improving the social status of Africans.</p> <p>A great opportunity for job creation is also lost through exporting of raw materials which robs Africa of the opportunity of innovation that would enable it to tap into every fortune embedded along the transport value-chain.</p>
TECHNOLOGICAL	<p>Low competency level with regard to excellent service delivery is inherent across the African continent due to lack or slow technological development.</p> <p>The Agency has to maintain and catch up with emerging trends because the digital economy has increased cross border transactions making it easier for multinational to exist and operate in multiple countries to creating virtual borders</p> <p>An initiative that focuses on enhancing value added services to cross border operators will automatically give the Agency a competitive urge to ensure ease of access to the Agency's services from anywhere at any time.</p> <p>The impediments identified in the cross border industry could be turned around through introduction of technology.</p>
ENVIRONMENTAL	<p>The general move towards paperless business operations in the cross-border sector implies that the Agency should also follow in the same direction in order to contribute to the lowering of the carbon foot print.</p> <p>The existing bilateral agreements have a negative impact on the environment. Since the agreements came to exist, there is a rise in imported second hand vehicles that are hazardous and not roadworthy by SADC counterparts. These vehicles transit through South Africa as they are allowed by the conditions of the existing bilateral agreements.</p> <p>The advancement of transport and trade facilitation programmes in the region would therefore create opportunities for improving cross-border road transport operations and regulation.</p>
REGULATORY & LEGAL	<p>The disharmony between national and regional in the legislative environment creates difficulties in the administration and regulation of the cross-border road transport sector.</p> <p>The bilateral agreements are out-dated and require review in order to capacitate regulatory authorities to deliver on their respective mandates in line with policy directives.</p> <p>The lack of harmonisation of regulatory instruments, operating procedures and standards in the region is a non-tariff barrier to operators that affects the effectiveness and efficiency of the regulatory environment with regard to industry regulation.</p> <p>The SADC region is advocating for a single permit in the region, a condition which may pose a challenge to the Agency as it may render its funding model unsustainable.</p> <p>The process of implementing alternative revenue streams have commenced in a reciprocal manner with the introduction of cross border charges.</p>

Table 2: PESTEL Factors

## 5.1. PERFORMANCE ENVIRONMENT

The C-BRTA is cognisant of customer needs that include reduced time spent waiting in a queue at the borders and frequency of being stopped for law enforcement along the transport corridor which contributor significantly to cost of doing business. To this end, the C-BRTA will continue to collaborate with players in the border and corridor environment to enhance service offerings. The Agency planned flagship projects under the Linking Africa Plan such as introduction of the State of Border calculator in ASCBOR, elevation of OCAS and Stakeholder Management will increase public value add, service provision and accelerate regional integration.

## 5.2. ORGANISATIONAL ENVIRONMENT

The Cross-Border Road Transport Agency (C-BRTA) has assessed its organisational environment in the previous year and asserts the following reflection:

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• The Agency has expert skills in relation to cross-border subject matter such as good research team.</li> <li>• Existence of governance structures.</li> <li>• Regional thought-leadership on Cross-Border matters.</li> <li>• Efficient centralized issuing of permits.</li> <li>• Good relationships with passenger taxi associations.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of implementing and monitoring new initiatives.</li> <li>• Disintegrated and outdated IT infrastructure - high risk area in the agency such as legacy system built on old technology.</li> <li>• Internal delivery mechanisms are stifling – not integrated, cross- functional teamwork (Divisions working in silos).</li> <li>• Too many vacancies in critical positions and inability to retain critical skills.</li> <li>• High rate of staff turnover.</li> <li>• Lack of stakeholder management capabilities.</li> <li>• Inefficient customer and support service.</li> <li>• Infant performance management systems.</li> <li>• Centralised permit system.</li> <li>• Ineffective regulatory system.</li> <li>• Poor communication with internal employees or management employees.</li> <li>• Compliance risk due to migration of law enforcement.</li> <li>• Unknown brand.</li> <li>• Unsustainable funding model.</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• Linking Africa initiatives.</li> <li>• Harmonisation of road transport policy providing for equal treatment, non-discrimination, reciprocity and liberalise market access for road freight operators.</li> <li>• Cross-border flow calculator - Provide real time information to transport industry; Implement a route adherence system.</li> <li>• Introduction of an accreditation scheme (OCAS) to promote smooth operations at across borders.</li> <li>• Establishing a cross-border data bank.</li> <li>• Establish a web-based operator forum.</li> <li>• Establishment of international ranking facilities.</li> <li>• Administration of cross-border road user charges.</li> <li>• Development and regulation of cross-border vehicles standards.</li> <li>• Policy and regulatory changes at regional/national levels, in favor of quality regulation.</li> <li>• Decentralisation of permit issuance using information technology to save money and time for operators requires automation the submission, approval and payments of permit application.</li> </ul>	<ul style="list-style-type: none"> <li>• Ineffective border management &amp; governance systems.</li> <li>• Lack of systems process integration across the value chain.</li> <li>• Poor layout and configuration of border infrastructure.</li> <li>• Dissatisfied freight transport industry</li> <li>• Quality regulation may be a threat to current revenue stream.</li> <li>• Unsustainable funding model.</li> <li>• Lack of regional political will, with regards to harmonisation.</li> <li>• Possible spill-over of the Lesotho/Free State cross-border operational challenge.</li> <li>• Lack of alignment of legislation within transport.</li> </ul>

Table 3: C-BRTA SWOT analysis

### 5.3. DESCRIPTION OF THE STRATEGIC PLANNING PROCESS

The process of formulation of this strategic plan is informed by the Constitution, the legislative mandate of the CBRTA and all the relevant prescripts of the governing laws as well as Ministerial directives. The planning process followed the National Treasury Framework for Strategic Plans and Annual Performance Plans including the Treasury Framework for managing performance. It involved several briefing sessions with relevant internal stakeholders to promote inclusivity. The strategies and risks corresponding with these objectives were discussed and objectives were aligned to the government outcomes.

Management then examined the budget available for allocation towards the strategies. This is determined by the Medium Term Expenditure Framework (MTEF), which is a submission made in July every year.

Meetings are held with National Treasury and the Department of Transport to explain the budget, human resource and information technology requirements for C-BRTA's planned projects and other outcomes. The risks affecting implementation and delivery were assessed and managed on an ongoing basis. Performance measures against the objectives were also determined.

The first and second drafts of the Strategic and Annual Performance Plans are sent to the Department of Transport in August and November each year respectively. The final Board approved version will be sent to the Minister of Transport at the end of January each year.

## 6. STRATEGIC OUTCOME ORIENTED GOALS OF THE INSTITUTION

The strategic outcome oriented goals are derived from the mandate as per section 23 of the Cross Border Road Transport Act. Furthermore they are linked to the Government outcomes as per the National Development Plan and the Minister of Transport's performance objectives as stated in the tables below:

Table 4: Linking Strategic outcome oriented goals to Government outcomes and the Strategic objectives of the Shareholder

<b>STRATEGIC OUTCOME ORIENTED GOAL 1</b>	<b>FACILITATE UNIMPEDED FLOW OF CROSS-BORDER TRANSPORT</b>
Goal statement	There is unimpeded flow in cross-border transport operations
Link to National Development Plan (NDP)	Outcome 6: Efficient , competitive and responsive economic infrastructure network
Link to National Development Plan (NDP)	<ul style="list-style-type: none"> <li>Implement a focused regional integration strategy with emphasis on reducing red tape, corruption and delays at border posts (Chapter 7)</li> </ul>
<b>STRATEGIC OUTCOME ORIENTED GOAL 2</b>	<b>STRATEGIC POSITIONING TO PROMOTE INTEGRATION OF THE AFRICAN CONTINENT</b>
Goal statement	There is enhanced regional integration through efficient cross-border road transportation.
Link to Department of Transport outcome(s)	Outcome 6: Efficient , competitive and responsive economic infrastructure network
Link to National Development Plan (NDP)	Implement a focused regional integration strategy with emphasis on road, rail and port infrastructure in the region (Chapter 7)
<b>STRATEGIC OUTCOME ORIENTED GOAL 3</b>	<b>PROMOTE SAFE AND RELIABLE CROSS-BORDER TRANSPORT</b>
Goal statement	There is safe and reliable cross-border transportation.
Link to Department of Transport outcome(s)	Outcome 6: Efficient, competitive and responsive economic infrastructure network
Link to National Development Plan (NDP)	No direct link
<b>STRATEGIC OUTCOME ORIENTED GOAL 4</b>	<b>ENHANCE ORGANISATIONAL PERFORMANCE IN ORDER TO IMPROVE SUSTAINABILITY</b>
Goal statement	C-BRTA's organisational performance is enhanced in compliance with the relevant policies and regulations
Link to Department of Transport outcome(s)	Outcome 5: A skilled and capable workforce to support an inclusive growth path
Link to National Development Plan (NDP)	<ul style="list-style-type: none"> <li>Staff at all levels have the authority, experience, competence and support they need to do their jobs;</li> <li>Clear governance structures and stable leadership enable state-owned enterprises to achieve their developmental potential (Chapter 13)</li> </ul>

Table 5: Linking Strategic Outcome Oriented Goals with the Agency's Strategic Objectives

<b>STRATEGIC OUTCOME ORIENTED GOAL 1</b>	<b>FACILITATE UNIMPEDED FLOW OF CROSS-BORDER TRANSPORT</b>
Goal statement	There is unimpeded flow in cross-border transport operations
Link to C-BRTA's strategic objective(s)	<ul style="list-style-type: none"> <li>To introduce and implement regulated competition of cross border movements</li> <li>To establish and sustain strategic partnerships with stakeholders so as to enable the Agency to achieve its objectives</li> <li>To proactively provide value added advisory services to the Minister of Transport and other relevant stakeholders on cross border matters in the transport sector.</li> </ul>
<b>STRATEGIC OUTCOME ORIENTED GOAL 2</b>	<b>STRATEGIC POSITIONING TO PROMOTE INTEGRATION OF THE AFRICAN CONTINENT</b>
Goal statement	There is enhanced regional integration through efficient cross-border road transportation.
Link to C-BRTA's strategic objective(s)	<ul style="list-style-type: none"> <li>To establish and sustain strategic partnerships with stakeholders so as to enable the Agency to achieve its objectives; and</li> <li>Proactively promote transformation and development of the cross-border industry;</li> <li>To proactively provide value added advisory services to the Minister of Transport and other relevant stakeholders on cross border matters in the transport sector.</li> </ul>
<b>STRATEGIC OUTCOME ORIENTED GOAL 3</b>	<b>PROMOTE SAFE AND RELIABLE CROSS-BORDER TRANSPORT</b>
Goal statement	There is safe and reliable cross-border transportation.
Link to C-BRTA's strategic objective(s)	<ul style="list-style-type: none"> <li>To improve compliance with road transport legislation</li> <li>To introduce and implement regulated competition of cross border movements</li> </ul>
<b>STRATEGIC OUTCOME ORIENTED GOAL 4</b>	<b>ENHANCE ORGANISATIONAL PERFORMANCE IN ORDER TO IMPROVE SUSTAINABILITY</b>
Goal statement	C-BRTA's organisational performance is enhanced in compliance with the relevant policies and regulations
Link to C-BRTAs' strategic objective(s)	<ul style="list-style-type: none"> <li>To ensure the financial viability and sustainability of the C-BRTA</li> <li>To improve efficiency in business operations</li> </ul>

## PART B: STRATEGIC OBJECTIVES

### 7. STRATEGIC OBJECTIVES AND RELATED KEY PERFORMANCE INDICATORS

The following is a table detailing the Agency's strategic objectives and related key performance indicators:

NO.	STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATORS (KPIs)
1.	To introduce and implement regulated competition of cross border movements	1. Implemented scientific tool used by the Regulatory Committee to manage supply and demand of cross-border passenger transport 2. Developed Permit Fee Regulations
2.	To improve compliance with road transport legislation	9. Developed and implemented Operator Compliance Accreditation Scheme (OCAS) 10. Number of operator and corridor profiling reports for decision making
3.	To establish and sustain strategic partnerships with stakeholders so as to enable the Agency to achieve its objectives	3. Developed and implemented stakeholder management plan 4. Facilitated the implementation of the SADC protocol and regional agreements.
4.	To proactively provide value added advisory services to the Minister of Transport and other relevant stakeholders on cross border matters in the transport sector	5. Number of Annual State of Cross-border operations reports (ASCBOR) submitted to the Minister and other relevant stakeholders 6. Number of country profiles developed 7. Developed model to calculate transit and cost of delays at commercial border posts
5.	To proactively promote transformation and development of the cross-border industry	8. Developed and implemented industry development strategy
6.	To ensure the financial viability and sustainability of the C-BRTA	11. Developed and implemented cross border charges as an additional revenue stream
7.	To improve efficiencies in business operations	12. Developed and implemented cross-border management system 13. Percentage of temporary permits issued within pre-determined turnaround times

Table 6: Strategic Objectives and Key Performance Indicators

The table below provides a summary of the C-BRTA's mandate, Strategic goals, related objectives, key performance indicators and related targets:

C-BRTA MANDATE	STRATEGIC GOALS	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATORS	BASELINE	2015/16 TARGET	2016/17 TARGET	2017/18 TARGET	2018/19 TARGET	2019/20 TARGET	
To introduce regulated competition in respect of cross-border passenger road transport  To liberalize market access progressively in respect of cross-border freight road transport	<b>GOAL 1:</b> Facilitate unimpeded flow of cross-border transport	1. To introduce and implement regulated competition of cross-border movements	1. Implemented scientific tool used by the Regulatory Committee to manage supply and demand of cross-border passenger transport	Approved framework Adopted scientific tool  Piloted and refined scientific tool	Piloted and implemented scientific tool on 3 main corridor	Impact assessment on the three (3) main corridors  Refinement of the scientific tool	Fully implemented scientific tool	Post implementation assessment	Review scientific tool	
			2. Developed Permit Fee Regulations	None as this indicator new	-	-	Amended Permit Fee Regulations	Amended Permit Fee Regulations		
	<b>GOAL 2:</b> Strategic positioning to promote integration of the African continent	3. To establish and sustain strategic partnerships with stakeholders so as to enable the Agency to achieve its objectives	3. Developed and implemented stakeholder management plan	None, as this is a new indicator	-	-	-	Developed Stakeholder Management Plan  Hosted O.R Tambo International Road Transport Indaba	Implemented Stakeholder Management Plan	Implemented Stakeholder Management Plan
			4. Facilitated the implementation of the SADC protocol and regional agreements	None as this indicator new	-	-	-	Workshopped SADC protocol and regional agreement	Monitoring of the consultation action plan	Monitoring of the consultation action plan
			5. Number of Annual State of Cross-border operations (ASCBOR) reports submitted to the Minister and other relevant stakeholders	None, as this is a new indicator	2 Annual State of Cross-border operations (ASCBOR) report to the Minister	1 ASCBOR report to the Minister and other stakeholders	ASCBOR report to the Minister and other stakeholders	ASCBOR report to the Minister and other stakeholders	ASCBOR report to the Minister and other stakeholders	
			6. Number of country profiles developed on cross border matters in the transport sector	None, as this is a new indicator	2 country (Zimbabwe and Mozambique) profiles developed	2 country (Malawi and Lesotho) profiles developed	2 country (Swaziland and Botswana) profiles developed	2 country (Zambia and Namibia) profiles developed	1 country (DRC) developed	

1 Implemented means to introduce the scientific tool on the corridor to manage the demand vs supply of cross-border permits

C-BRTA MANDATE	STRATEGIC GOALS	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATORS	BASELINE	2015/16 TARGET	2016/17 TARGET	2017/18 TARGET	2018/19 TARGET	2019/20 TARGET
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	<b>GOAL 3</b> Promote safe and reliable cross-border transport	5. To proactively promote transformation and development of the cross-border industry	7. Developed model to calculate transit and cost of delays at commercial border posts	None, as this is a new indicator	-	-	Cross-border Flow calculator Concept document	Developed Cross-border Flow calculator model	Piloted Cross-border Flow calculator model
			8. Developed and implemented industry development strategy	None, as this is a new indicator	-	-	Board Approved Industry Development strategy submitted to the Minister	Implemented Industry Development strategy	Implemented Industry Development strategy
			9. Developed <sup>2</sup> and Implemented Operator Compliance Accreditation Scheme (OCAS)	Consultation and approved business rules and standards	Consultation with key stakeholders EXCO Approved Revised Feasibility Report EXCO Approved revised OCAS ICT Terms of Reference for appointment of system developed	National Feasibility Assessment	Board approved Draft legislation	Initiate legislative reform	Board approved OCAS ICT design
		10. Number of operator and corridor profiling reports for decision making	None, as this is a new indicator	3 EXCO signed off quarterly reports on key findings from inspections and prosecutions	4 Law enforcement reports (Section 39(2))	4 Section 39 reports submitted to Regulatory Committee for decision making	4 Section 39 reports submitted to Regulatory Committee for decision making	4 Section 39 reports submitted to Regulatory Committee for decision making	

C-BRTA MANDATE	STRATEGIC GOALS	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATORS	BASELINE	2015/16 TARGET	2016/17 TARGET	2017/18 TARGET	2018/19 TARGET	2019/20 TARGET
To enhance and strengthen the capacity of the public sector in support of the C-BRTA's strategic planning, enabling and monitoring functions	<b>GOAL 4</b> Enhance organisational performance in order to improve sustainability	6. To ensure the financial viability and sustainability of the C-BRTA	11. Developed <sup>3</sup> and implemented cross border charges as an additional revenue stream	Approved strategy	Conducted feasibility study on proposed new revenue streams	Revised financial sustainability strategy Implemented cross-border user charges as a new revenue stream	Consultation and development of legislative proposal on cross border charges	Implemented 1 additional revenue stream Increased revenue baseline by 20%	Increased revenue baseline by 20%
		7. Improve efficiency in business operations;	12. Developed <sup>4</sup> and implemented <sup>5</sup> cross-border management system	None, as the target was not achieved (2014/15)	Defined new permit system requirements and specifications	Developed and Piloted new permit system at Head Office	Developed Enterprise Architecture for cross-border management system	Developed cross-border management system at Head Office	Implemented cross-border management system
			13. Percentage of temporary permits issued within pre-determined turnaround times	None, as this is a new indicator	90% issued front office permits within 1 day. 90% issued front office permits within 3 days.	-	90% of compliant applications for temporary permits processed and permits issued in front office within 1 day. 90% of compliant applications for temporary permits processed and permits issued in remote office within 2 days.	90% of compliant applications for temporary permits processed and permits issued in front office within 8 hours. 90% of compliant applications for temporary permits processed and permits issued in remote office within 1 day.	90% of compliant applications for temporary permits processed and permits issued in front office within 8 hours. 90% of compliant applications for temporary permits processed and permits issued in remote office within 8 hours.

<sup>3</sup> Development entails vigorous consultation with the Department of Transport and other affected stakeholders in order to draft a legislative proposal.

<sup>4</sup> Developed means sign-off by the Regulatory division (client unit) as per service providers final deliverable

<sup>5</sup> Implementation means operationalising the system. System reports to serve as completion of implementation.

## 8. PROGRAMMES

### 8.1. PROGRAMME 1: ADMINISTRATION

The purpose of the Administration programme is to ensure effective leadership and administrative support to the C-BRTA on the delivery of set objectives. The core areas under Administration are reflected below:

- **Corporate Services**
  - It provides professional advice and corporate service support which includes human resources, legal services, integrity management and facilities management.
- **Finance and SCM**
  - It provides financial and supply chain management to the Agency while ensuring compliance with statutory requirements and best practice models.
- **Information and Communication Technology (ICT)**
  - It provides information and communication technology support to the Agency while ensuring compliance with statutory requirements and best practice models.

#### 8.1.1. PROGRAMME STRATEGIC OBJECTIVES

<b>STRATEGIC OBJECTIVES</b>	<b>TO ENSURE THE FINANCIAL VIABILITY AND SUSTAINABILITY OF THE C-BRTA</b>
Performance Indicators	Implemented cross border charges as an additional revenue stream
Baseline	Approved Strategy
<b>STRATEGIC OBJECTIVES</b>	<b>TO IMPROVE EFFICIENCY IN OUR BUSINESS OPERATIONS</b>
Performance Indicators	Developed and implemented cross-border management system
Baseline	None, as this is a new indicator
<b>STRATEGIC OBJECTIVES</b>	<b>TO INTRODUCE AND IMPLEMENT REGULATED COMPETITION OF CROSS-BORDER MOVEMENTS</b>
Performance Indicators	Developed Permit Fee Regulations
Baseline	None, as this is a new indicator

#### 8.1.2. RESOURCE CONSIDERATIONS

Expenditure estimates: Administration

STRATEGIC OBJECTIVE	EXPENDITURE OUTCOME			CURRENT BUDGET	MEDIUM-TERM EXPENDITURE ESTIMATES		
	2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
To ensure the financial viability and sustainability of the C-BRTA	29,485	33,849	22,920	31,631	39,223	40,792	42,831
To improve efficiency in our business operations	-	-	7,927	12,011	14,893	15,489	16,263
To introduce and implement regulated competition of cross-border movements	5,952	5,044	11,700	17,728	21,982	22,862	24,005

## 8.2. PROGRAMME 2: REGULATORY SERVICES

The Regulatory Services function is responsible for regulating access to the cross-border road transport market, freight and passengers, through a permit administration regime. The regulation is geared towards improvement and promotion of social and economic development and regional integration. The Division is also tasked to ensure compliance to the Agency's legislation and other related legislation, as well as the provisions of the bi-lateral and multi-lateral road transport agreements.

### 8.2.1. PROGRAMME STRATEGIC OBJECTIVES

STRATEGIC OBJECTIVES	TO INTRODUCE AND IMPLEMENT REGULATED COMPETITION OF CROSS BORDER MOVEMENTS
Performance Indicators	Implemented scientific tool used by the Regulatory Committee to manage supply and demand cross-border passenger transport
Baseline	Approved framework; Adopted scientific tool; Piloted and refined scientific tool
STRATEGIC OBJECTIVES	TO IMPROVE COMPLIANCE WITH ROAD TRANSPORT LEGISLATION
Performance Indicators	Developed and implemented Operator Compliance Accreditation Scheme (OCAS)
Baseline	Consultation and approved business rules and standards
STRATEGIC OBJECTIVES	TO IMPROVE EFFICIENCY IN OUR BUSINESS OPERATIONS
Performance Indicators	Percentage of temporary permits issued within pre-determined turnaround times
Baseline	None, as this is a new indicator

### 8.2.2. RESOURCE CONSIDERATIONS

Expenditure estimates: Regulatory Services

STRATEGIC OBJECTIVE	EXPENDITURE OUTCOME			CURRENT BUDGET	MEDIUM-TERM EXPENDITURE ESTIMATES		
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
To introduce and implement regulated competition of cross border movement							
To improve compliance with road transport legislation	340,848	23,826	25,452	21,023	22,616	23,508	24,636
To improve efficiency in our business operations							

## 8.3. PROGRAMME 3: PROFILING SERVICES

This programme involves gathering of intelligence that is used for evidence based decision making and developing law enforcement standards benchmarks. Intelligence is generated from information and statistics obtained from sources such as law enforcement and profiling operator behaviour, analysing routes and traffic tendencies. A comprehensive intelligence program is developed to provide timely, accurate and relevant support to Regulatory Committee.

### 8.3.1. PROGRAMME STRATEGIC OBJECTIVES

STRATEGIC OBJECTIVES	TO IMPROVE COMPLIANCE WITH ROAD TRANSPORT LEGISLATION
Performance Indicators	Number of operator and corridor profiling reports for decision making.
Baseline	None, as this is a new indicator

### 8.3.2. RESOURCE CONSIDERATIONS

Expenditure estimates: Profiling Services

STRATEGIC OBJECTIVE	EXPENDITURE OUTCOME			CURRENT BUDGET	MEDIUM-TERM EXPENDITURE ESTIMATES		
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
To improve compliance with road transport legislation	73,904	81,827	69,077	81,546	15,951	16,580	17,375

## 8.4. PROGRAMME 4: STAKEHOLDER MANAGEMENT

The purpose for this function is to promote regional integration through a structured campaign that seeks to influence the African agenda for change. The core business of the initiative is centred around stakeholder management based on the fact that it is founded on the philosophy that change can be achieved through peer influence. For the period under consideration, focus will mainly be on identification, analysis and building a model for strategic engagement prior to its implementation. The programme will specifically focus on a broad spectrum of stakeholders across Africa.

The work of the C-BRTA is heavily reliant on co-operation with other institutions within South Africa and across other SADC member states. The essence of this programme lies in its strategic role of collaborating with both the primary and secondary stakeholders within the industry. Trade and transport facilitation requires strategic engagements with various stakeholders in order to attain the desired state of free-flowing transport along corridors. This programme will therefore drive the development of a strategic engagement model that will inform establishment of strategic and co-operative relationships with public and private institutions with freight and passenger industry players within South Africa.

### 8.4.1. PROGRAMME STRATEGIC OBJECTIVES

<b>STRATEGIC OBJECTIVES</b>	<b>TO ESTABLISH AND SUSTAIN STRATEGIC PARTNERSHIPS WITH STAKEHOLDERS SO AS TO ENABLE THE AGENCY TO ACHIEVE ITS OBJECTIVES.</b>
Performance Indicators	Developed and implemented stakeholder management plan Facilitated the implementation of the SADC protocol and regional agreements
Baseline	None, as this is a new indicator
<b>STRATEGIC OBJECTIVES</b>	<b>TO PROACTIVELY PROMOTE TRANSFORMATION AND DEVELOPMENT OF THE CROSS-BORDER INDUSTRY</b>
Performance Indicators	Developed and implemented industry development strategy
Baseline	None, as this is a new indicator

### 8.4.2. RESOURCE CONSIDERATIONS

Expenditure estimates: Stakeholder Management

STRATEGIC OBJECTIVE	EXPENDITURE OUTCOME			CURRENT BUDGET	MEDIUM-TERM EXPENDITURE ESTIMATES		
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
To establish and sustain strategic partnerships with stakeholders so as to enable the Agency to achieve its objectives.	11,829	10,713	12,090	14,147	23,879	24,821	26,012
To proactively promote transformation and development of the cross-border industry							

## 8.5. PROGRAMME: RESEARCH AND ADVISORY SERVICES

The main purpose of the division is to provide advisory and strategic support by driving execution initiatives within the area(s) of project management and research. The function will focus on providing value added research advisory services and promoting a high performance culture within the Agency. Information generated by the programme will serve as guidelines for policy development and serve to guide decision making across various functions within the Agency. The programme further play a significant role in enhancing the visibility of the Agency and position it to achieve its objectives as outlined in the strategy.

### 8.5.1. PROGRAMME STRATEGIC OBJECTIVES

STRATEGIC OBJECTIVES	TO PROACTIVELY PROVIDE VALUE ADDED ADVISORY SERVICES TO THE MINISTER OF TRANSPORT AND OTHER RELEVANT STAKEHOLDERS ON CROSS BORDER MATTERS IN THE TRANSPORT SECTOR
Performance Indicators	Annual State of Cross-border operations report (ASCBOR) submitted to the Minister and other relevant stakeholders
	Number of country profiles developed
	Developed model to calculate transit and cost of delays at commercial border posts
Baseline	1 Cross-border corridor road transport report 2 country (Malawi and Lesotho) profiles developed

### 8.5.2. RESOURCE CONSIDERATIONS

Expenditure estimates: Research and Advisory Services

STRATEGIC OBJECTIVE	EXPENDITURE OUTCOME			CURRENT BUDGET	MEDIUM-TERM EXPENDITURE ESTIMATES		
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
To proactively provide value added advisory services to the Minister of Transport and other relevant stakeholders on cross border matters in the transport sector	11,297	10,812	11,029	20,351	26,046	27,074	28,373

## 9. RISK MANAGEMENT

The C-BRTA is cognisant of the material risk inherent in its strategy and the following are the strategic risks facing the Agency:

### 9.1 STRATEGIC RISKS HEAT MAP

Figure: Heat Map of Strategic Risks of C-BRTA Risks for 2017/18 Financial Year:

Almost Certain	5	Low	Moderate	High	Critical	Critical
Likely	4	Low	Moderate	High	High	Critical
Possible	3	Low	Low	Moderate	High	High
Unlikely	2	Low	Low	Low	Moderate	Moderate
Remote	1	Low	Low	Low	Low	Low
		1	2	3	4	5
		Insignificant	Minor	Moderate	Major	Severe
Impact of Consequence						

### 9.2 TOTAL INHERENT AND RESIDUAL RISK

Nine (9) risks were identified during the Risk Assessment process, are shown below as prioritised by participants in terms of high to low Residual Risk Exposure level:

No.	Ref No.	Risk	Inherent Risk	Residual Risk
1	9	Discharging of legislative mandate	20	15
2	8	Sector Transformation	12	12
3	3	Concentration of revenue streams	10	10
4	7	Strategic Position	12	9
5	5	Service Delivery	9	9
6	6	Supply and demand	12	8
7	1	Loss of revenue	20	5
8	2	Bankruptcy	10	5
9	4	Unrealised migration of RTI to RTMC	8	4

## 9.3 STRATEGIC RISK REGISTER

NO.	RISK DESCRIPTION	INHERENT RISK RATING	CURRENT CONTROLS	RESIDUAL RISK RATING	IMPROVEMENT PLANS	DUE DATE	RISK OWNER
<b>Linked Strategic Objective: To ensure the financial viability and sustainability of the C-BRTA</b>							
1.	<p><b>Risk Event:</b> Potential loss of revenue</p> <p><b>Root Cause:</b> Migration might lead to non-compliance by operators and this resulting in loss of income to the Agency</p> <p><b>Risk Impact:</b> Loss of revenue</p>	<b>Critical</b> (Likelihood:4 Impact:5)	<ul style="list-style-type: none"> <li>Retention of the profiling unit</li> <li>Retention of the law enforcement mandate</li> </ul>	<b>Low</b> (Likelihood:1 Impact:5)	<p>MoJ with RTMC</p> <p>Implementation of the LoU with SARS</p> <p>Capacitating the profiling unit</p> <p>Implementation of the MoU with DHA</p>	<p>31 March 2018</p> <p>31 March 2018</p> <p>31 March 2018</p> <p>31 March 2018</p>	<p>Executive: Corporate Services</p> <p>Executive: Regulatory Services</p> <p>Executive: Research and Development</p> <p>Executive: Stakeholder Management</p>
2.	<p><b>Risk Event:</b> Bankruptcy as a result of Unmitigated operator refunds</p> <p><b>Root Cause:</b> Unmitigated operator refunds demand( Level of operator claims)</p> <p><b>Risk Impact:</b> Commercial Insolvency</p>	<b>High</b> (Likelihood:2 Impact:5)	<ol style="list-style-type: none"> <li>Approved turnaround plan and cost control;</li> <li>Negotiate with claimants and agree on payment terms( Staggering Payments/not refunding five year permits/not paying interest);</li> <li>Structured cash flow management (Regular formal cash flow forecasting, reflecting cash positions on a monthly basis)</li> </ol>	<b>Low</b> (Likelihood:1 Impact:5)	<p>Notice of prescription</p> <p>Introduction of cross border charges</p> <p>Continued maintenance cost containment measures.</p> <p>Migration of RTI to RTMC ( Cost Reduction Plan)</p>	<p>31 March 2018</p> <p>31 March 2018</p> <p>31 March 2018</p> <p>31 March 2018</p>	<p>Chief Financial Officer (CFO)</p> <p>Chief Financial Officer (CFO)</p> <p>Chief Financial Officer (CFO)</p> <p>Chief Financial Officer (CFO)</p>
3.	<p><b>Risk Event:</b> Decreased concentration in revenue streams as a result of loss of penalty revenue ( RTI Migration)</p> <p><b>Root Cause:</b> Migration of RTI might lead to possible loss of revenue streams</p> <p><b>Risk Impact:</b> 1) Reduced revenue 2) Instability of revenue flow</p>	<b>High</b> (Likelihood:5 Impact:2)	Effective management of cash surplus	<b>High</b> (Likelihood:5 Impact:2)	Introduction of cross border charges	31 March 2019	Chief Financial Officer (CFO)

NO.	RISK DESCRIPTION	INHERENT RISK RATING	CURRENT CONTROLS	RESIDUAL RISK RATING	IMPROVEMENT PLANS	DUE DATE	RISK OWNER
4.	<p><b>Risk Event:</b> Unrealised migration of RTI to RTMC as a result failure to manage the migration project within defined timelines</p> <p><b>Root Cause:</b></p> <ol style="list-style-type: none"> <li>1) Change of political mandate</li> <li>2) Failure to manage the project within defined timelines</li> <li>3) Failure to reach consensus amongst affected parties</li> </ol> <p><b>Risk Impact:</b> Failure to achieve objectives depended on the RTI migration</p>	<b>Moderate</b> (Likelihood:2 Impact:4)	<ol style="list-style-type: none"> <li>1) Inter-agency Task Team to manage the migration</li> <li>2) Implementation plan approved by both Agency Boards</li> <li>3) Consultation with labour</li> </ol>	<b>Low</b> (Likelihood:1 Impact:4)	Conclusion of the MoU between CBRTA and RTMC	31 March 2018	Executive: Corporate Services
<b>Linked Strategic Objectives: To improve efficiency in business operations</b>							
5.	<p><b>Risk Event:</b> Ineffective Service delivery due to inadequate service delivery platforms</p> <p><b>Root Causes:</b></p> <ol style="list-style-type: none"> <li>1) Out-dated systems technology</li> <li>2) Inadaptable and inconsistent system architecture</li> <li>3) Partial automation of business processes</li> <li>4) Business process silos</li> <li>5) Inability to resolve operator constrains</li> </ol> <p><b>Risk Impact:</b></p> <ol style="list-style-type: none"> <li>1) Undetected fraudulent activities</li> <li>2) Inability to accommodate changing business needs</li> <li>3) longer turnaround times</li> <li>4) Poor customer satisfaction</li> </ol>	<b>Moderate</b> (Likelihood:3 Impact:3)	<ol style="list-style-type: none"> <li>1) System maintenance contracts</li> <li>2) Adhoc system enhancements</li> <li>3) Manual business processes</li> <li>4) Stakeholder engagement forums</li> <li>5) Formal and informal stakeholder engagements</li> <li>6) Implemented Customer Survey Plan( Surveys analysis and implementation of improvement plan)</li> </ol>	<b>Moderate</b> (Likelihood:3 Impact:3)	<p>Develop Enterprise Architecture (EA)</p> <p>Implementation of a fully integrated cross border road transport system</p> <p>Develop a detailed business process map</p> <p>Develop and implement the stakeholder engagement plan</p> <p>Implemented Customer Survey Plan and Improvement interventions</p>	<p>31 March 2018</p> <p>31 March 2020</p> <p>31 March 2018</p> <p>31 March 2018</p> <p>31 March 2018</p>	<p>Chief Information Officer (CIO)</p> <p>Chief Information Officer (CIO)</p> <p>Chief Operations Officer (COO)</p> <p>Executive: Stakeholder Management</p> <p>Executive: Stakeholder Management</p>

NO.	RISK DESCRIPTION	INHERENT RISK RATING	CURRENT CONTROLS	RESIDUAL RISK RATING	IMPROVEMENT PLANS	DUE DATE	RISK OWNER
<b>Linked Strategic Objective: To introduce and implement regulated competition of cross border movements as pertaining to cross border movements</b>							
6.	<p><b>Risk Event:</b> Inability to balance supply and demand due to absence of a scientific tool to regulate market access</p> <p><b>Root Cause:</b> 1) Absence of a scientific tool to regulate market access 2) Illegal operations 3) Inability to obtain pertinent data from RTMC law enforcement</p> <p><b>Risk Impact:</b> 1) Operator Conflicts 2) Market saturation</p>	<b>Moderate</b> (Likelihood:3 Impact:4)	<ol style="list-style-type: none"> <li>1) Regulatory Committee guidelines on consideration of cross border road transport permits for the conveyances of passengers</li> <li>2) Market access reports</li> <li>3) Referral of permits applications to counter parts</li> <li>4) Implementation of Road Transport Agreements</li> <li>5) Access of national land transport information system</li> <li>6) Concurrence of municipalities on ranking facilities</li> <li>7) Profiling compliance reports</li> <li>8) Law enforcement</li> </ol>	<b>Moderate</b> (Likelihood:2 Impact:4)	<p>Implementation of MAR model on piloted corridors;</p> <p>Identify other corridors for MAR implementation</p> <p>Permit as a requirement at the border post</p> <p>Enter into an MoU with SAPS on cross border illegal operations</p>	2016/18  31 March 2019 31 March 2018 31 March 2018	EXCO  Executive: Regularity Services Executive: Regularity Services
<b>Linked Strategic Objective: To proactively provide value added advisory services to the Minister of Transport and other relevant stakeholders on cross border matters in the transport sector</b>							
7.	<p><b>Risk Event:</b> Lack of strategic positioning of the Agency as a competent authority in the cross border road transport space</p> <p><b>Root Cause:</b> 1) Inadequate research capacity 2) Inadequate PR campaigns 3) Lack of partnerships with research institutions 4) Un-corporative stakeholders 5) Inadequate mechanisms to provide information to the sector 6) Inadequate mechanisms /channels to source sufficient data</p> <p><b>Risk Impact:</b> 1) Loss of relevance/credibility 2) Reputational damage 3) Inadequate brand visibility/profiling 4) Delayed resolutions of constrains and other challenges facing cross border operators 5) Negative impact on trade volumes 6) Reduction in terms of volumes</p>	<b>High</b> (Likelihood:3 Impact:4)	<ol style="list-style-type: none"> <li>1) Road Transport Agreements and MoU's</li> <li>2) MOU's with SARS, DHA, ITAC and Sanparks</li> <li>3) Stakeholder consultative forums</li> <li>4) Industry Partnership Development Plan (IPDP)</li> <li>5) Sector based research reports e.g. (State of borders projects and Country profiles Reports)</li> <li>6) Presentation at conferences</li> <li>7) Publication of articles on cross border transport</li> </ol>	<b>Moderate</b> (Likelihood:3 Impact:3)	<p>Public Relations Campaigns (Increase the Agency's visibility and publications on work produced)</p> <p>Implementation of the Communication and Marketing Strategy</p> <p>Enhance the role of the research, development and stakeholder management unit</p> <p>Enhance the Agency's service delivery and corporate culture</p>	31 March 2018 31 March 2020 31 March 2018	Executive: CEO's Office Executive: CEO's Office Executive: Stakeholder Management and Research and Development Chief Operations Officer

NO.	RISK DESCRIPTION	INHERENT RISK RATING	CURRENT CONTROLS	RESIDUAL RISK RATING	IMPROVEMENT PLANS	DUE DATE	RISK OWNER
<b>Linked Strategic Objective: To proactively promote transformation and development of the cross-border industry</b>							
8.	<p><b>Risk Event:</b> Lack of co-operation from the industry to align with the Agency's transformational objectives</p> <p><b>Root Cause:</b> 1) Absence of levers through which compel the industry to transform 2) Lack of understanding amongst primary beneficiaries 3) Resistance from the industry to transform 4) Lack of funding to promote transformation and development 5) Lack of confidence on the CBRTA's agenda</p> <p><b>Risk Impact:</b> 1) Loss of relevance/credibility as regulator that is able to transform the sector 2) Reputational damage</p>	High (Likelihood:3 Impact:4)	None	High (Likelihood:3 Impact:4)	Amended Cross border Road Transport Act Regulations (To include transformation factors) (2018)  Implement BBBEE Transport Charter(2020)	31 March 2018  31 March 2020	Executive: Regulatory Services  Executive: Regulatory Services
<b>Linked Strategic Objective: To improve compliance with road transport legislation</b>							
9.	<p><b>Risk Event:</b> Inability to discharge our legislative mandate</p> <p><b>Root Cause:</b> 1) RTI migration 2) Possible spill-over of the Lesotho/Free State cross-border passenger operational challenges 3) Inability to enforce compliance with road transport legislation</p> <p><b>Risk Impact:</b> Loss of credibility as a regulator /Reputational damage</p>	Critical (Likelihood: 4 Impact:5)	1) Continue to influence policy direction which drive the Agency's mandate through participation in Key structures on: (revising white paper on transport policies, Road freight strategy, road policy, National Freight logistics strategy, regional road transport agenda) 2) On-going engagement to resolve the Lesotho/Free state challenge 3) Strategic relationship with Road Transport Authorities 4) Implementation of Regional Transport Agreements 5) Systems, governance structures and expertise on key mandates	High (Likelihood:3 Impact:5)	Implement Law enforcement(MoJ with RTMC as of April 2017)  Sustain sound working relationships with BMA and other stakeholders  Development of an Integrated regulatory framework  Implementation of the LoU with SARS  Implementation of OCAS  Implementation Route adherence system	31 March 2018  31 March 2018  31 March 2019  31 March 2020  31 March 2020  31 March 2020	Executive : Corporate Services  Executive : Stakeholder Management  Executive : Regulatory Services  Executive : Regulatory Services  Executive : Regulatory Services  Executive : Regulatory Services

## 10. MATERIALITY AND SIGNIFICANCE FRAMEWORK

Treasury Regulations requires that a materiality and significance framework be incorporated in the Strategic Plan of an entity. Information is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements. Materiality depends on the size of the item or error judged in the particular circumstances of its omission or misstatement.

Significant is defined as “extensive or important enough to merit attention” of the Minister of Finance.

### 10.1. MATERIALITY

#### QUANTITATIVE MATERIALITY

The quantitative materiality for the Agency is assessed on an annual basis..

#### QUALITATIVE MATERIALITY

Materiality is not merely related to the size of the entity and/or elements of the financial statements. The following qualitative factors are also considered:

- Level of exposure to public interest and scrutiny;
- Level of compliance to applicable legislation;
- Unusual transactions entered into that are not of a repetitive nature and are disclosed purely due to the nature thereof (due to knowledge thereof affecting the decision making of the user of the financial statements);
- Transactions entered into that could result in a reputation risk for the entity;
- The impact of political decisions on the entity; and
- Any fraudulent or dishonest behaviour, regardless on the monetary value, of an employee of the entity.

### 10.2 SIGNIFICANCE

The following transactions are seen as significant:

SIGNIFICANCE FACTORS	QUANTITATIVE	QUALITATIVE
– Establishment or participation in the establishment of a company.	Any amount	<ul style="list-style-type: none"> <li>• Any transaction or event that relates to the establishment or participation in the establishment of a company.</li> </ul>
– Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement.	Any amount	<ul style="list-style-type: none"> <li>• Any transaction that may affect the core purpose or mandate of the Agency.</li> </ul>
– Acquisition or disposal of a significant shareholding in a company.	Any amount	<ul style="list-style-type: none"> <li>• Any transaction that relates to the acquisition of a shareholding in a company or disposal of a previous approved shareholding in a company.</li> </ul>
– Acquisition or disposal of a significant asset.	Any amount exceeding R10 million	<ul style="list-style-type: none"> <li>• Any asset acquired for other purposes other than to delivery on the core purpose or mandate of the C-BRTA.</li> </ul>
– Commencement or cessation of a significant business activity.	Any amount	<ul style="list-style-type: none"> <li>• Any transaction or event that may affect the core purpose or mandate of the Agency.</li> </ul>
– A Significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement	Any amount	<ul style="list-style-type: none"> <li>• Any transaction that may affect the core purpose or mandate of the Agency</li> </ul>

## PART C: LINKS TO OTHER PLANS

### 11. LINKS TO THE LONG-TERM INFRASTRUCTURE AND OTHER CAPITAL PLANS

Overview of MTEF Expenditure Estimates per economic classification

NAME OF DIVISION:	FINANCE	INFORMATION TECHNOLOGY	REGULATORY SERVICES	CORPORATE SERVICES	COO (SS & RESEARCH)	OFFICE OF THE CEO & COMMS	TOTAL
CAPITAL EXPENDITURE							-
Computer Equipment (PCs, Laptops, Printers, Ipads)	-	2 561 760	-	-	-	-	2 561 760
Computer Equipment (Security printers)	-	-	400 000	-	-	-	400 000
Leasehold Improvements (Leasehold improvements)	-	-	-	1 487 042	-	-	1 487 042
New Permit Issuance system and Servers	-	8 620 298	-	-	-	-	8 620 298
Motor Vehicles (Pool cars)	-	-	-	600 000	-	-	600 000
Furniture & Fittings	-	-	-	-	-	-	-
Other Intangibles (Website, Patents, etc)	50 000	-	-	1 061 000	-	1 419 900	2 530 900
Office Equipment	-	-	-	-	300 000	-	300 000
<b>SUB-TOTAL - CAPITAL EXPENDITURE</b>	<b>50 000</b>	<b>11 182 058</b>	<b>400 000</b>	<b>3 148 042</b>	<b>300 000</b>	<b>1 419 900</b>	<b>16 500 000</b>

## 12. PRIVATE PUBLIC PARTNERSHIPS

Overview: The Agency is not involved in any private public partnerships



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