

Vote 33

Transport

Amount to be appropriated	Main appropriation R6 158 709 000	Adjusted appropriation R6 289 435 000	Decrease	Increase R130 726 000
Responsible Minister	Minister of Transport			
Administering department	Transport			
Accounting officer	Director-General Department of Transport			

Aim

The aim of the Department of Transport is to facilitate the provision of an affordable, safe and sustainable national transport system, which is responsive, accountable and transparent to all key stakeholders.

Changes to programme purposes and measurable objectives

No changes were made.

Adjusted 2003 Estimates of National Expenditure

Table 33.1: Transport

Programme	Main Appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1 Administration	68 683	1 036	-	-	-	1 036	69 719
2 Land Transport Management	1 459 249	5 000	20 000	-	1 460	26 460	1 485 709
3 Transport Policy and Regulation	146 595	30 552	-	-	-	30 552	177 147
4 Public Transport and Planning	4 484 182	28 678	-	-	44 000	72 678	4 556 860
Total	6 158 709	65 266	20 000	-	45 460	130 726	6 289 435
Economic Classification							
Current	5 005 179	37 266	-	(3 274)	45 460	79 452	5 084 631
Personnel	81 353	-	-	(1 140)	-	(1 140)	80 213
Transfer payments	4 652 843	34 714	-	(24 639)	38 000	48 075	4 700 918
Other current	270 983	2 552	-	22 505	7 460	32 517	303 500
Capital	1 153 530	28 000	20 000	3 274	-	51 274	1 204 804
Transfer payments	1 151 226	28 000	20 000	-	-	48 000	1 199 226
Acquisition of capital assets	2 304	-	-	3 274	-	3 274	5 578
Total	6 158 709	65 266	20 000	-	45 460	130 726	6 289 435

R thousand	Main Appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
Standard item classification							
Personnel	81 353	-	-	(1 140)	-	(1 140)	80 213
Administrative	35 089	-	-	1 228	-	1 228	36 317
Inventories	9 159	-	-	745	-	745	9 904
Equipment	4 846	-	-	3 009	-	3 009	7 855
Land and buildings	-	-	-	-	-	-	-
Professional and special services	224 191	2 552	-	20 797	7 460	30 809	255 000
Transfer payments	5 804 069	62 714	20 000	(24 639)	38 000	96 075	5 900 144
Miscellaneous	2	-	-	-	-	-	2
Total	6 158 709	65 266	20 000	-	45 460	130 726	6 289 435

Details of adjustments to 2003 Estimates of National Expenditure

Roll-overs – R65,266 million

Programme 1: Administration Capacity Development

An invoice from the University of Pretoria for R1,036 million for training services provided during 2002/03 was received too late in the financial year to process payment.

Programme 2: Land Transport Management

Amendments to the Administrative Adjudication of Road Traffic Offences Act of 1998 were ratified in February 2003. R17,0 million was budgeted in 2002/03 for the appointment of IT specialists for the design, development and implementation of an IT system for the Road Traffic Infringement Agency in compliance with this legislation. It was subsequently decided that this should be undertaken as a PPP. To ensure that the project continues in 2003/04, R5,0 million is to be rolled over.

Programme 3: Transport Policy and Regulation

A tender was issued to appoint advisors to the regulating committee responsible for issuing permission to the Airports Company of South Africa and the Air Traffic and Navigation Services Company for their levies from 2004/05 to 2008/09. A balance of R1,3 million of the total budgeted amount of R2,1 million is outstanding, as implementation was delayed and will be rolled over to complete the tender during 2003/04.

Financial consultants were appointed to assist the department with the evaluation of the tender for Oil Pollution Prevention Services. R50 000 is required to complete the project during 2003/04.

R1,2 million is required to honour two tenders for the development of a public transport policy and strategy and a transport funding model, planned and commissioned in 2003.

Delays in the revival of the Kei railway line have resulted in the need to roll over R28,0 million to complete the project.

Programme 4: Public Transport and Planning

The taxi recapitalisation project is gaining momentum, with the first batch of vehicles expected in May 2004. The department put out a tender for the provision of services to support the implementation of the project. R12,3 million is to be rolled over for this tender.

In restructuring the South African Rail Commuter Corporation's debt in 2000/01, short-term debt amounting to R218,0 million was not taken over by the state. Since then, the department has used savings to reduce this debt. A further R16,3 million will be rolled over from savings on the taxi recapitalisation project (R5,5 million) and implementation of the National Land Transport Transition Act of 2000 (R10,8 million) to reduce this debt to R163,2 million.

Unforeseeable and unavoidable expenditure – R20,0 million

Programme 2: Land Transport Management

R20,0 million was allocated to supplement the funding for border post roads, for which no baseline allocation existed until 2003/04.

Virement

Shifting of funds within programmes

Programme 1: Administration

R600 000 was shifted from Personnel expenditure to Professional and special services to fund the continuation of the forensic audit initiated in the previous financial year.

Professional and special services was reduced by R1,937 million to fund Administrative expenditure of R985 000, mainly for transport and tuition fees for capacity development; to fund Equipment expenditure of R735 000, mainly for the acquisition of IT equipment; and to fund Inventories expenditure of R217 000 for capacity development.

Programme 2: Land Transport Management

Professional and special services expenditure was reduced by R865 000, Administrative expenditure by R27 000 and Inventories expenditure by R28 000 to fund Equipment expenditure of R920 000, mainly for vehicle testing equipment and office furniture.

A saving of R19,193 million was realised as a result of halting the upgrading of the Driving Licence Testing Centres (DLTCs) project in the 2003/04 financial year. This project will resume in the 2004/05 financial year when provision has been made for an amount of R9,745 million. In the same manner, temporarily halting assistance to provinces for overload control purposes resulted in a saving of R10,0 million. The total R29,193 million was shifted to Professional and special services to fund the development of the new eNaTIS system.

R1,0 million was saved on Personnel expenditure from the Inspectorate of Dangerous Goods due to vacancies resulting from the restructuring of the department. This will be transferred to the Cross Border Road Transport Agency (CBRTA) to enable it to upgrade its outdated computer equipment.

Programme 3: Transport Policy and Regulation

Personnel expenditure was reduced by R1,540 million to fund the foreign office of the International Civil Aviation Organisation (ICAO) in Montreal, Canada, for the newly elected

South African representative to the seat on the ICAO Council through increasing Administrative expenditure by R270 000, inventories by R56 000, equipment by R854 000 and Professional and special services by R360 000.

South Africa has been identified as a focal point for a regional maritime search and rescue centre, requiring the establishment of a Maritime Rescue Control Centre. R3,554 million was shifted from Professional and special services to Transfer payments because the South African Maritime Safety Authority was tasked to do this on behalf of the department.

Programme 4: Public Transport Planning

Professional and special services was reduced by R3,0 million to fund Personnel expenditure of R2,0 million, Equipment expenditure of R500 000, and Inventories expenditure of R500 000, which were under-budgeted.

Other adjustments – R45,460 million

Self-financing expenditure

In June 2003, the Department concluded a forensic investigation into the manipulation of fares and ticket sales by Golden Arrow Bus Services Pty Limited (GABS), one of the bus service providers that receives bus operating subsidies from the allocation in *Programme 4: Public Transport and Planning*. The legal teams representing government and GABS settled out of court, and the department recovered R45,460 million. The department intends using these funds as follows:

Programme 2: Land Transport Management

The Department of Transport intends to establish a National Road Traffic Accident Bureau. A comprehensive and detailed forensic investigation into the current procedures and systems for recording, capturing, analysing and transferring accident information to NaTIS is required in order to investigate the feasibility of such a bureau. This is expected to cost R700 000.

The department plans to collaborate with provinces to identify critical road corridors that need weigh bridge facilities to improve overload control. In addition to this review of infrastructure development needs, there is also a need to plan law enforcement and the coordination of overload control activities between provinces. The review and planning process is expected to cost R760 000.

Programme 4: Public Transport and Planning

To reduce the risk of subsidy manipulation by subsidised bus operators in future, it is estimated that R6,0 million will be spent on establishing a National Roads Based Transport Monitoring Team.

Bus services in eThekweni have historically been subsidised by the KwaZulu-Natal Department of Transport with additional grant funding provided by the eThekweni Municipality. To comply with the National Land Transport Transition Act, the metropolitan bus service in eThekweni, Durban Transport, had to be restructured. This was a further financial burden on the municipality, and R38,0 million in additional funding for bus subsidies is required to maintain the current levels of service.

Table 33.2: Summary of transfers and subsidies per programme

R thousand	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/Unavoidable expenditure	Virement	Other adjustments	Total additional appropriation	
1 Administration	8 439	1 036	-	-	-	1 036	9 475
Corporate Services							
Capacity Development	8 439	1 036	-	-	-	1 036	9 475
2 Land Transport Management	1 318 222	5 000	20 000	(28 193)	-	(3 193)	1 315 029
Infrastructure							
SA National Roads Agency Ltd.	1 270 556	-	20 000	-	-	20 000	1 290 556
Cross-Border Road Transport Agency	-	-	-	1 000	-	1 000	1 000
Land Transport Regulation							
Railway Safety Regulator	10 000	-	-	-	-	-	10 000
Road Traffic Management Corporation	8 473	-	-	-	-	-	8 473
Road Traffic Operation Policy and Information Management	19 193	-	-	(19 193)	-	(19 193)	-
Administrative Adjudication of Road Traffic Offences	-	5 000	-	-	-	5 000	5 000
Overloading Control	10 000	-	-	(10 000)	-	(10 000)	-
3 Transport Policy and Regulation	16 036	28 000	-	3 554	-	31 554	47 590
Transport Policy							
Policy Development	3 345	28 000	-	-	-	28 000	31 345
Aviation and Maritime Transport							
SA Civil Aviation Authority: Subsidy and Aircraft Accident Investigation	5 687	-	-	-	-	-	5 687
SA Maritime Safety Authority: Government Contracts	6 504	-	-	-	-	-	6 504
National Sea Rescue Institute	500	-	-	-	-	-	500
Maritime Rescue Coordinating Centre	-	-	-	3 554	-	3 554	3 554

Table 33.2 (cont): Summary of transfers and subsidies per programme

R thousand	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/ Unavoidable expenditure	Virement	Other adjustments	Total additional appropriation	
4 Public Transport and Planning	4 461 372	28 678	-	-	38 000	66 678	4 528 050
Public Transport Operations							
Bus Operations	2 044 000	-	-	-	38 000	38 000	2 082 000
Rail Operations	1 678 840	16 308	-	-	-	16 308	1 695 148
Rail Infrastructure	665 000	-	-	-	-	-	665 000
Taxi Operations	10 000	12 370	-	-	-	12 370	22 370
Transport Planning							
NLTTA Implementation	22 000	-	-	-	-	-	22 000
Land Transport Pilot Projects - Urban Transport Fund	32 432	-	-	-	-	-	32 432
Urban Transport Fund (conditional grant)	9 100	-	-	-	-	-	9 100
Total	5 804 069	62 714	20 000	(24 639)	38 000	96 075	5 900 144

Vote 34

Water Affairs and Forestry

Amount to be appropriated	Main appropriation R4 086 543 000	Adjusted appropriation R4 514 180 000	Decrease	Increase R427 637 000
Responsible Minister	Minister of Water Affairs & Forestry			
Administering department	Department of Water Affairs and Forestry			
Accounting officer	Director-General of Water Affairs and Forestry			

Aim

The aim of the Department of Water Affairs and Forestry is to ensure the availability and supply of water on a national level, to ensure equitable and efficient provision of water services at local level, and to promote sustainable forest management.

Changes to programme purposes and measurable objectives

No changes have been made.

Adjusted 2003 Estimates of National Expenditure

Table 34.1: Water Affairs and Forestry

Programme	Main Appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1 Administration	237 071	-	46 000	1 808	1 113	48 921	285 992
2 Water Resources Management	1 056 113	37 480	126 748	3 902	(30 663)	137 467	1 193 580
3 Water Services	2 439 722	16 993	153 039	(1 834)	(73)	168 125	2 607 847
4 Forestry	353 637	16 000	20 000	(3 876)	41 000	73 124	426 761
Total	4 086 543	70 473	345 787	-	11 377	427 637	4 514 180
Economic Classification							
Current	2 627 355	70 473	345 787	299 998	11 377	727 635	3 354 990
Personnel	585 929	10 473	93 748	(2 524)	42 137	143 834	729 763
Transfer payments	1 343 686	60 000	252 039	302 522	(30 760)	583 801	1 927 487
Other current	697 740	-	-	-	-	-	697 740
Capital	1 459 188	-	-	(299 998)	-	(299 998)	1 159 190
Transfer payments	31 574	-	-	-	-	-	31 574
Acquisition of capital assets	1 427 614	-	-	(299 998)	-	(299 998)	1 127 616
Total	4 086 543	70 473	345 787	-	11 377	427 637	4 514 180

R thousand	Main Appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other Adjustments		
Standard item classification							
Personnel	614 562	-	46 000	(3 873)	32 014	74 141	688 703
Administrative	165 610	-	-	(255)	7 123	6 868	172 478
Inventories	98 684	-	-	(148)	2 000	1 852	100 536
Equipment	60 585	-	-	2	1 000	1 002	61 587
Land and buildings	5 888	-	-	-	-	-	5 888
Professional and special services	1 765 174	10 473	47 748	(298 248)	-	(240 027)	1 525 147
Transfer payments	1 375 260	60 000	252 039	302 522	(30 760)	583 801	1 959 061
Miscellaneous	780	-	-	-	-	-	780
Total	4 086 543	70 473	345 787	-	11 377	427 637	4 514 180

Details of adjustments to 2003 Estimates of National Expenditure

Roll-overs – R70,473 million

Programme 2: Water Resource Management

R32,0 million has been rolled over for flood damage repairs and to provide water to areas affected by floods.

R5,48 million has been rolled over to maintain and update the economic information system. The project commenced in January 2003 and payment was to be made in May 2003.

Programme 3: Water Services

R12,0 million has been rolled over for flood damage repairs and to provide water to areas affected by floods.

R4,993 million has been rolled over to pay outstanding invoices received late from service providers

Programme 4: Forestry

R16,0 million has been rolled over to honour an agreement between SAFCOL and the department.

Unforeseeable and unavoidable expenditure: R345,787 million

Programme 1: Administration

R46,0 million has been allocated to accommodate the costs associated with external restructuring and the transfer of non-core functions of DWAF, including infrastructure and staff, to appropriate institutions. Although the costs were foreseen and the department approached Treasury through the budgetary process, these funds could not be provided, but the agreements reached with receiving institutions makes the expenditure unavoidable.

Programme 2: Water Resource Management

R30,0 million has been allocated for repayment of a loan from the Land Bank guaranteed by the department to build the Bivane Dam.

R48,0 million has been allocated to purchase the future ownership of the pipeline from RMB

R19,0 million has been allocated for a loan repayment to Land Bank Great Fish River Association and for the writing off of unrecoverable debt (GRFWUA).

R17,028 million has been allocated for emergency water supply.

R12,720 million has been allocated for flood damage repairs to water infrastructure.

Programme 3: Water Services

R153,039 million has been allocated for emergency water supply.

Programme 4: Forestry

R20,0 million has been allocated for fire damage control and the salvage of timber.

Virement

Table 34:2: Water Affairs and Forestry

From programme R thousand	Amount	To programme	Amount
1 Administration	3 192	1 Administration	5 000
3 Water Services	6 076	2 Water Resources Management	3 902
4 Forestry	3 876	3 Water Services	4 242

Details of savings realised on the above programmes

Programme 1: Administration

Savings of R3,192 million in this programme are due to the shifting of some of the restructuring funds originally allocated to this programme to other programmes.

Programme 3: Water Services

The savings of R6,076 million has mainly been realised due to the fact that consultants were appointed later than was anticipated. For the period when they were appointed and when they started to work, the amount budgeted for could not be spent.

Programme 4: Forestry

Savings of R3,876 million in this programme are due to the shifting of some of the restructuring funds originally allocated to this programme to other programmes.

Utilisation of savings to augment the above programmes

Programme 1: Administration

The department changed from FMS to BAS with effect from 1 April 2003. After implementation of BAS it became clear that the operation of BAS is more expensive than FMS and that funds available would not be sufficient to cover the operating costs of BAS. It thus became necessary to shift funds of R5,0 million in order to cover these costs.

Programme 2: Water Resources Management

The functions assigned to institutional policies within programme 3 have been shifted to institutional regulation under Programme 2 hence the shifting of R3,902 million to where the functions are.

Programme 3: Water Services

R4,242 million of the restructuring funds (R366 000 from *Programme 1* and R3,876 million from *Programme 4*) has been shifted to this programme.

Other adjustments – R11,377 million

Salary adjustments

An additional amount of R4,014 million has been allocated to the department to make provision for the higher than expected general salary adjustments.

Shifting of funds between votes

The Working for Water programme had transferred an amount of R10,5 million to the Department of Provincial and Local Government for the Working on Fire programme as approved by the National Treasury on 11 June 2003.

R73 000 is to be transferred to the Department of Public Works for the acquisition of additional storage space. R587 000 is to be transferred to the Department of Public Works for acquisition of additional office space.

An amount of R21,6 million is to be transferred to the Department of Environmental Affairs and Tourism for transferring the management of the Working for Wetlands programme.

Self-financing expenditure

Programme 1: Administration

An amount of R98 648 has been deposited in the National Revenue Fund for certain sponsored activities of the Department, which reflects travel expenses and accommodation paid by the donors to officials of this department.

Programme 2: Water Resource Management

R24 496 has been deposited into the National Revenue Fund for travel expenses and accommodation paid by donors to cover our officials' overseas travel and accommodation expenses.

Programme 4: Forestry

Revenue of R40,0 million from plantations, to finance the continued operation and management of Mpumalanga forest areas, will only be spent once the revenue has been deposited in the National Revenue Fund.

Table 34.3: Summary of transfers and subsidies per programme

R thousand	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/Unavoidable expenditure	Virement	Other adjustments	Total additional appropriation	
2 Water Resources Management	379 259	32 000	99 000	2 522	(30 687)	102 835	482 094
Equitable Supply							
Irrigation Board Subsidies	28 768	-	97 000	-	-	97 000	125 768
Dam Safety	306	-	-	-	-	-	306
Operations of Water Resources	347 685	32 000	2 000	2 522	(30 687)	5 835	353 520
Capital Equipment							
Equipment Trading Account	2 500	-	-	-	-	-	2 500
3 Water Services	996 000	12 000	153 039	300 000	(73)	464 966	1 460 966
Operations of Water Services							
Water Services Operating Subsidy Grant	159 564	-	-	-	(73)	(73)	159 491
Water Services Operating Subsidy Grant (conditional grant)	836 436	12 000	153 039	300 000	-	465 039	1 301 475
4 Forestry	1	16 000	-	-	-	16 000	16 001
Plantation Management							
Industrial Plantation Trading Account	1	-	-	-	-	-	1
SAFCOL	-	16 000	-	-	-	16 000	16 000
Total	1 375 260	60 000	252 039	302 522	(30 760)	583 801	1 959 061

Table 34.4: Summary of conditional grants to Local Government (municipalities) ¹

R thousand	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/ Unavoidable expenditure	Virement	Other adjustments	Total additional appropriation	
3 Water Services	1 101 812	-	-	300 000	-	300 000	1 401 812
Basic Water and Sanitation Infrastructure							
Basic Water and Sanitation Infrastructure	1 101 812	-	-	300 000	-	300 000	1 401 812
3 Water Services	836 436	44 000	-	(300 000)	-	(256 000)	580 436
Operations of Water Resources							
Operations of Water Resources	836 436	44 000	-	(300 000)	-	(256 000)	580 436
Total	1 938 248	44 000	-	-	-	44 000	1 982 248

¹ Main appropriation detail provided in the Division of Revenue Act, 2003.