

780. It is denied that, should tolling commence, those who pay for the tolls will be reimbursed in due course.
781. What the Minister of Transport proposes here would constitute a massive repayment scheme of hundreds of thousands of citizens.
782. The Minister of Transport does not clarify how such repayment system will occur or be effected, except to state that such repayment will be possible because of the use of e-tags.
783. The Minister of Transport overlooks that if tolling takes place, not all road users will have e-tags. In fact only 320 000 out of approximately 4 million registered motor vehicles in Gauteng have registered for the payment of toll.
784. The Minister of Transport also overlooks the material allegations in the founding affidavit concerning the logistical impossibility of toll collection.
785. The Minister of Transport, further fails to deal with the procedural prejudice that the Applicants and the Gauteng road users whom they represent will suffer *in the application* in that, should e-tolling commence in violation of their rights to just administrative action, the effect on the review in due course will be to render the outcome *a fait accompli* thus perpetuating the unlawful tolling scheme indefinitely.

AD PARAGRAPH 34

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786. I respectfully refer the Minister of Transport to his own written reply in Parliament attached as "RA5" in which he confessed the "*considered view*" that the benefits of the upgrades of the proposed toll road network would "*unfortunately not be forthcoming*".

#### AD PARAGRAPHS 35-36

787. I have already dealt with the absence of public transport and viable alternative routes in both the founding affidavit and above in this affidavit, and I respectfully refer the Honourable Court thereto.

#### AD PARAGRAPHS 38-42

788. The Applicants admit that the choice of funding mechanism for the upgrades of the proposed toll road network is a policy decision and that SANRAL and the Minister of Transport enjoy a discretion in which to make such choice.

789. The Honourable Court is, however, constitutionally mandated to come to the assistance of the Applicants and the road using public should the exercise of discretion by SANRAL and/or the Minister of Transport be unlawful or unconstitutional, as it has been in this case.

790. Save as aforesaid, the balance of the allegations contained herein constitutes legal argument and will be dealt with at the hearing of the application.



**AD PARAGRAPHS 43-44**

791. The implication of the allegation that SANRAL would be in a position to "*refund anyone, including the Applicants*" were the application for the relief sought in Part B to succeed in due course is that SANRAL is not under-funded since, following the logic of this statement, SANRAL would be able to fund its alleged obligations to ETCJV and capital debt market and at the same time pay back any money received from road users.

**AD PARAGRAPH 46**

792. The allegations concerning the financial ability and prejudice to be suffered by SANRAL are unfounded, unsupported by the documentation and are inconsistent with what is stated in SANRAL's affidavit.

**AD PARAGRAPHS 47-48**

793. I deny the allegation implied herein that the postponement of tolling will result in a down-grading of the credit rating of either SANRAL or the South African Government.

794. The commencement of tolling has been postponed, apparently at the will of SANRAL and the Minister of Transport on a number of occasions before.

  
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795. The Minister of Transport provides no basis for the Honourable Court to conclude that the present date for the commencement of tolling cannot likewise be postponed.

#### AD PARAGRAPH 57

796. It is interesting to note that the Minister of Transport, unlike SANRAL, acknowledges that the relief sought in the notice of motion is directed at the decision taken by the Minister of Transport "*on or about 4 February 2011*".

797. The Minister of Transport apparently acknowledges the inextricable link between the declaration of a road as a toll road and the publication of toll tariffs and determination of toll commencement date in terms of section 27(3) of the Act.

#### AD PARAGRAPHS 57.2-57.3

798. I have already dealt exhaustively with the issues of urgency and condonation and I respectfully refer the Honourable Court thereto.

#### AD PARAGRAPHS 58-65

799. I have already dealt with the allegations contained herein.

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**AD PARAGRAPH 66**

800. The Applicants will not dispute the allegation contained herein for the purposes of the relief sought in Part A.

**AD PARAGRAPHS 73.2-73.6**

801. The content hereof constitutes legal argument and will be dealt with at the hearing of the application.

WHEREFORE the Applicants persist in the relief they seek.

---

**LEOPOLD JEAN JOSEPH PAUWEN**

I hereby certify that the deponent has acknowledged that he:

- (a) knows and understands the contents of this affidavit;
- (b) has no objection to taking the oath;
- (c) considers the oath to be binding on his conscience.



THUS signed and sworn to before me, at \_\_\_\_\_ on \_\_\_\_\_ 2012,  
the Regulations contained in Government Notice No. R1258 of 21 July 1972 (as  
amended), having been fully complied with.

---

COMMISSIONER OF OATHS

*BR*

IN THE NORTH GAUTENG HIGH COURT, PRETORIA  
(REPUBLIC OF SOUTH AFRICA)

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2246

Case No:67270/10

In the matter between:

HMKL 3 INVESTMENTS (PTY) LTD

Applicant

and

THE SOUTH AFRICAN NATIONAL ROADS  
AGENCY LIMITED

First Respondent

THE MINISTER: DEPARTMENT  
OF TRANSPORT

Second Respondent

TRENCON CONSTRUCTION (PTY) LTD

Third Respondent

---

FIRST RESPONDENT'S  
ANSWERING AFFIDAVIT

---

I the undersigned,

ISMAIL NOORMAHOMED ESSA

do hereby state under oath:

1. The facts set out in this affidavit are true and correct and unless the contrary appears from the context are also within my personal knowledge. Insofar as I rely on information obtained

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94. **Ad Paragraphs 115 and 116**

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94.1. The Applicant ignores that fact that if SANRAL is to implement the toll collection system by April 2011, then it needs to follow its programme. Since the Applicant raised its concern with SANRAL for the first time in May 2010, SANRAL has consistently told the Applicant of this time constraint.

94.2. I deny that the construction of the toll gantry in its present position will prejudice the Applicant now or in the future. To the extent, however, that the Applicant is prejudiced the Applicant has an adequate alternative remedy in the form of damages.

94.3. As I have set out above, the Applicant has no right to the relief that it seeks and there is no reason for SANRAL to agree to abridged time periods in order to accommodate the Applicant's baseless cause of action. Consequently, SANRAL declines the invitation to do so.

95. **Ad Paragraphs 117, 118 and 119**

I have already addressed these allegations and they are all denied.

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IN THE NORTH GAUTENG HIGH COURT  
(PRETORIA)

Case No: 67270/2010

In the matter between:

HMKL 3 INVESTMENTS (PROPRIETARY) LIMITED

Applicant

and

THE SOUTH AFRICAN NATIONAL ROADS AGENCY LTD

First Respondent

THE MINISTER,  
DEPARTMENT OF TRANSPORT,  
REPUBLIC OF SOUTH AFRICA

Second Respondent

TRENCON CONSTRUCTION (PROPRIETARY) LIMITED

Third Respondent

---

REPLYING AFFIDAVIT

---

I, the undersigned

JOHANNES PETRUS JACOBUS VAN NIEKERK

do hereby make oath and state:



"... Mr Alex van Niekerk informed the Applicant in that the first meeting that SANRAL's construction programme requires the gantry to be completed by the end of November 2010. The reason for this is that SANRAL is obliged to implement the toll collection system on 8 April 2011, and requires the period between December 2010 and April 2011 to provide access to the contractor responsible for implementing the tolling system so that it can install the toll equipment onto the gantries and in the technical shelter next to the toll gantries. Furthermore, the contractor is contractually required to test the entire systems and ensure that any problems within the system are resolved before 8 April 2011."

17. In paragraph 94.1 of SANRAL's answering affidavit Mr Essa stated the following:

"The Applicant ignores that fact that if SANRAL is to implement the toll collection system by April 2011, then it needs to follow its programme. Since the Applicant raised its concern with SANRAL for the first time in May 2010, SANRAL has consistently told the Applicant of this time constraint."

18. I was extremely surprised to hear a radio interview with Mr Alex van Niekerk, SANRAL's head of the Gauteng Freeway Improvement Project ("GFIP"), during which he advised that SANRAL decided to extend the implementation of its overhead toll system by three months until June 2011. The extension of the implementation of the toll system beyond April 2011 until June 2011 is confirmed by a report that appeared in the Beeld of 15 November 2010, a copy of which I attach hereto marked Annexure "JVN 46". In the report the following is stated:

p72

"Gautengers kry nóg drie maande gracie voordat die gewraakte oorhoofse tolstelsel in werking sal tree. Mnr Alex van Niekerk, hoof van die Suid-Afrikaanse Nasionale

Padagentskap (Sanral) se Gautengse hoofwegverbeteringsprojek (GFIP), het gister gesê dié stelsel, wat teen April 2011 ingestel sal wees, sal eers 'n volledige toetsperiode van drie maande ondergaan voordat tolged van Junie af gehef sal word."

[Own underlining.]

19. The Applicant respectfully submits that it is apparent from the radio interview and the article that SANRAL decided to extend its toll collection system by three months until June 2011. Notwithstanding, Mr Essa advised this Honourable Court that the deadline for the implementation of the toll collection is April 2011. I respectfully submit that if the First Respondent's proposed penalty of costs on an attorney and own client scale should be implemented for lying under oath then SANRAL should suffer the consequences. I am advised that legal argument will be presented regarding a suitable cost order at the hearing of Part B of the notice of motion.

20. The Applicant finds it astonishing that SANRAL has suddenly found a way to postpone the implementation of its toll collection, whereas before it refused to budge on this issue. To the Applicant SANRAL represented that this was nearly unachievable. No reasons were provided for the extension until June 2011, but it seems to the Applicant that SANRAL is able to extend the implementation of the toll collection if it wants to. Who knows, further extensions may be possible without the draconian results alleged by SANRAL.

21. In paragraph 7 of the First Respondent's answering affidavit Mr Essa contends that "the MTN billboard hides the entire building referred to as the 'Main Rotor Building' from traffic proceeding from south to north." In addition, Mr Essa contends that "Save for the smaller billboard referred to as the 'C-Track

*[Handwritten initials and marks]*

PH

IN THE NORTH GAUTENG HIGH COURT, PRETORIA

(REPUBLIC OF SOUTH AFRICA)

CASE NO 67270/10

In the matter between :

HMKL3 INVESTMENTS (PTY) LIMITED

Applicant

and

THE SOUTH AFRICAN NATIONAL ROADS AGENCY LIMITED First Respondent

THE MINISTER : DEPARTMENT OF TRANSPORT Second Respondent

TRENCON CONSTRUCTION (PTY) LIMITED Third Respondent

---

**ANSWERING AFFIDAVIT - LEAVE TO EXECUTE**


---

I, the undersigned -

**ISMAIL NOORMAHOMED ESSA**

do hereby make oath and say that -

- 1 I am a Project manager and the Regional Manager, Northern Region of the South African National Road Agency ("the first respondent"). I am duly authorised to depose to this affidavit on behalf of the first respondent. A copy of the relevant resolution is attached to my answering affidavit in the interdict proceedings referred to more fully below.
- Annex IA, p 436*

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29 Having regard to the above, it is not feasible for the first respondent to erect a new gantry to house the tolling equipment for the section of road along which the MTN signboard is visible.

30 As the order does not preclude the first respondent from collecting toll on the N1 highway, the first respondent is not precluded from implementing the open road tolling system. However, if the order is not suspended pending the first respondent's appeal, the first respondent will not be able to collect toll from the gantry and would therefore not be able to collect a toll for that section of the N1 highway.

31 At present, it is anticipated that the first respondent's open road tolling system will be implemented on 23 June 2011. It is unlikely that the first respondent's appeal or the applicant's review will have been finalised by this date and, as a consequence, if this application is granted, the first respondent will not be able to implement tolling on the relevant section of the N1 highway (where the gantry is situated). As a result, the first respondent will lose approximately R10 000 000 in revenue each month. This loss will not be recoverable by the first respondent because the loss would be suffered as a consequence of an order of court and the applicant has offered no indemnity (suitably guaranteed) to the first respondent that it will compensate any revenue lost by the first respondent.

32 Furthermore, the first respondent is spending approximately R20 billion to upgrade the Gauteng national road infrastructure which includes the section

of the N1 highway between Pretoria and Johannesburg (the busiest road in South Africa) as part of the Gauteng Freeway Improvement Programme ("GFIP").

33 If the first respondent does not implement the open road tolling system, it may affect its ability to repay the loan financing which it was required to secure in order to implement the GFIP.

34 In the circumstances, I respectfully submit that the first respondent will sustain irreparable prejudice if this application is granted.

35 I now turn to address the specific allegations recorded in the founding papers. Where I fail to address a particular allegation, it should be regarded as denied.

36 I address the allegations recorded in the founding affidavit below.

37 Ad paragraphs 2 to 9

The contents of these paragraphs are noted.

38 Ad paragraph 10

I note the admission in this paragraph that the issues in Part B of the applicant's review application are distinct from the issues in the interdict application. This admission strengthens the first respondent's case that a

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replying to summons, HMKL 3 Investments, 01 (2011-06-18).docx

IN THE NORTH GAUTENG HIGH COURT  
(PRETORIA)

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Case No: 67270/2010

In the matter between:

HMKL 3 INVESTMENTS (PROPRIETARY) LIMITED

Applicant

and

THE SOUTH AFRICAN NATIONAL ROADS AGENCY LTD

First Respondent

THE MINISTER,  
DEPARTMENT OF TRANSPORT,  
REPUBLIC OF SOUTH AFRICA

Second Respondent

TRENCON CONSTRUCTION (PROPRIETARY) LIMITED

Third Respondent

---

REPLYING AFFIDAVIT

---

I, the undersigned

JOHANNES PETRUS JACOBUS VAN NIEKERK

do hereby make oath and state:

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[Signature]

8. The main thrust of the First Respondent's answering affidavit is that it will allegedly be prejudiced if the interim interdict granted on 2 December 2010 remains in place pending the finalization of the disputes between the parties. The First Respondent contends that the above Honourable Court erred in granting the interim relief and the First Respondent wants to release the shackles if the interdicts by appealing against the interim order. As stated in its founding affidavit, the Applicant submits that it is not legally competent to appeal against an interim order. I am advised that legal argument will be addressed to the above Honourable Court in this regard at the hearing of the application for leave to appeal in due course. The order granted by the above Honourable Court is neither final in its form or effect between the parties. In this regard I respectfully refer the Honourable Court to an article that appeared in *Beeld* on 23 March 2011, that is one day before Mr Essa deposed to the First Respondent's answering affidavit herein, in which article the following is stated:

"Tolgeld sal eers op snelweë wat deel van die Gautengse hoofweg-verbeteringsplan (GFIP) is, gehef word nadat alle bouwerk afgehandel is.

Mnr. Alex van Niekerk, hoof van die GFIP, het gister aan *Beeld* gesê die eerste fase van dié projek behoort teen November voltooi te wees. 'Sanral (die Suid-Afrikaanse nasionale padagentskap) sal egter nie tolgeld op paaie of dele daarvan hef nie voordat die werk klaar is.'

Die tolheffings sou in Junie van krag geword het, maar is ná reuse-teenkanting vir eers opgeskort."

9. It appears that Mr Essa has now on three occasions lied to the above Honourable Court under oath:

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- 9.1. Initially, in the First Respondent's answering affidavit in the main application Mr Essa informed the Court that the First Respondent's tolling had to be operational by April 2011. In this regard I respectfully refer the above Honourable Court to what I state in paragraphs 12 to 20 of the Applicant's replying affidavit in the main application.
- 9.2. In paragraph 31 of its answering affidavit in this interlocutory application Mr Essa stated that *"it is anticipated that the first respondent's open road tolling system will be implemented on 23 June 2011."* This assertion by Mr Essa is apparently no correct in light of the information conveyed to the public by Mr Van Niekerk as reported in the aforementioned article.
10. It has now become apparently obvious that the above Honourable Court cannot place any value on these submissions of Mr Essa regarding the date of the proposed implementation of the new tolling system. Mr Essa, in his affidavit, attempts to persuade the above Honourable Court that SANRAL is tied to a rigid time frame which cannot be altered in any way. As a result of this rigid time frame, the Applicant and his interest cannot under any circumstances be accommodated by the First Respondent. However, the Applicant has now demonstrated twice that Mr Essa deposes to affidavits after notices appeared in the press that contradict this vary assertion by Mr Essa regarding the inflexibility of SANRAL's programmes. Who knows by which date SANRAL will ultimately implement its new tolling system. On the current version it will not be before November 2011. This leaves more than enough time for the review application to be heard and decided between the current parties. As the order by His Lordship Mr Justice Bam is an interim order, it can then be revisited by the

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## S'hamba Sonke

The S'hamba Sonke programme, launched in April 2011, is dedicated to the maintenance of roads.

Funds allocated is R6.4 billion for 2011/12, R7.5 billion for 2012/13 and R8.2 billion by 2014. It will total some R22 billion by 2014. The provincial roads maintenance grant is a conditional grant dedicated to road maintenance.

For the 2011/12 financial year this money is allocated as follows:

- KwaZulu-Natal: R1.2 billion
- Eastern Cape: R1 billion
- Mpumalanga: R1 billion
- Limpopo: R934 million
- Gauteng: R566 million
- Free State: R447 million
- Western Cape: R411 million
- Northern Cape: 308 million
- North West: R501 million.

## Provincial anchor projects

### KwaZulu-Natal

- Nongoma – Dabhazi – Hlambanyathi - Hlabisa Corridor at R270 million
- Eshowe – Ntumeni – Kranskop – Vryheid corridor at R2 billion.

These anchor projects will support the tale of four cities which is about connecting Ulundi, Richards Bay, Pietermaritzburg and Durban.

### Mpumalanga

- Maintenance of the R33 Road between Stoffberg to Belfast (42km) at a cost of R 24 million
- An upgrade 40km road project from White River to Ntsikazi at a cost of some R16 million

### Limpopo

- Household routine maintenance engaging some 27 contractors for some R237 million and attending to some 8100 km
- Fixing access roads at a cost of R60 million
- Pothole patching project on some 220kms of roads at cost of R174 million.

### Gauteng

- Reseal on N14 from Krugersdorp to Klieveskraal at a cost of R55.8 million
- Reseal of Ben Schoeman - Pretoria to the N1 for R10 million
- Upgrade on P126 (M1) on some 8.54km for R11 million.

### Northern Cape

- Household Road Maintenance- Bathoaros to Maphinik 26km for R7 million

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- Road Maintenance: Victoria West Calvinia 387km for R18 million
- Re-seal of Douglas-Kimberley 18km for R22 million.

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### **Western Cape**

- Overberg regravelling at R43 million
- Malmisbury to Hopefield reseal for R51 million
- De Rust to N9 reseal for R54 million.

### **Eastern Cape**

- Household Contractor programme approximately R200 million over three years
- Emerging contractor and consultant development for R500 million over three years.

### **Monitoring delivery**

Provincial departments are required to report to the national Department of Transport every month. The national department is required to regularly report on a quarterly basis to National Treasury on the performance of this grant.

The national department will monitor the creation of jobs and expenditure to ensure emerging contractors are created in numbers. The transport forums will become another layer of civil society which will contribute to the monitoring and evaluation of S'hamba Sonke.

### **Infrastructure defines development**

A key element of S'hamba Sonke is ongoing stakeholder consultation in all projects and programmes with the following forums:

- (Rural) Road Transport Forums, where they do not exist, must be formed.
- Strong stakeholder institutions for the economic empowerment of South Africa's rural poor must be rolled out.
- Commitment to the development of a national co-operative movement and a national emerging contractor council.

Furthermore, S'hamba Sonke consists of the following elements:

- A Pothole Repair Programme, involving road-users and the private sector
- The establishment of provincial road-asset registers which record the condition of roads, traffic counts and life-cycle maintenance requirements
- Asset management systems for authorities to "know your network". Engineers and superintendents will drive through stretches of road to determine the daily condition of our road network.
- Reducing the percentage of roads in poor to very poor condition from the current 30% to 10%.
- Reducing vehicle operating costs and thus overall transportation costs.

#### Speeches and statements

[ Top ]

Last modified: 31 October 2011 09:06:32.

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IN THE NORTH GAUTENG HIGH COURT, PRETORIA  
(REPUBLIC OF SOUTH AFRICA)

Case No: 17141/12

In the matter between:

- |   |                  |
|---|------------------|
| OPPOSITION TO URBAN TOLLING ALLIANCE                  | First Applicant  |
| SOUTH AFRICAN VEHICLE RENTING AND LEASING ASSOCIATION | Second Applicant |
| QUADPARA ASSOCIATION OF SOUTH AFRICA                  | Third Applicant  |
| SOUTH AFRICAN NATIONAL CONSUMER UNION                 | Fourth Applicant |

and

- |  |                   |
|--|-------------------|
| THE SOUTH AFRICAN NATIONAL ROADS AGENCY LTD                        | First Respondent  |
| THE MINISTER, DEPARTMENT OF TRANSPORT<br>REPUBLIC OF SOUTH AFRICA  | Second Respondent |
| THE MEC, DEPARTMENT OF ROADS<br>AND TRANSPORT, GAUTENG             | Third Respondent  |
| THE MINISTER, DEPARTMENT OF WATER<br>AND ENVIRONMENTAL AFFAIRS     | Fourth Respondent |
| DIRECTOR-GENERAL, DEPARTMENT OF<br>WATER AND ENVIRONMENTAL AFFAIRS | Fifth Respondent  |
| NATIONAL CONSUMER COMMISSION                                       | Sixth Respondent  |

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CONFIRMATORY AFFIDAVIT

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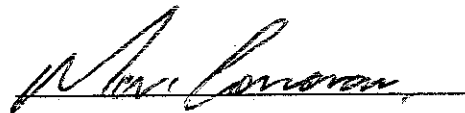
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I, the undersigned,

**MARC CORCORAN**

do hereby make oath and state that:

1. I am a major male and a Manager of AVIS Rent a Car, South Africa ("AVIS"). Avis is a member of the Second Applicant in the above matter.
2. The facts contained herein are, unless otherwise stated or the contrary appears from the context, within my own knowledge and are, to the best of my knowledge and belief, both true and correct.
3. I have read the replying affidavit deposed to by Leopold Jean Joseph Pauwen in respect of this matter and confirm the truth and correctness thereof insofar as it relates to me.



DEPONENT

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I hereby certify that the deponent has acknowledged that he:

- (a) knows and understands the contents of this affidavit;
- (b) has no objection to taking the oath;
- (c) considers the oath to be binding on his conscience.

THUS signed and sworn to before me, at Sandton on 20 April 2012,  
 the Regulations contained in Government Notice No. R1258 of 21 July 1972 (as amended),  
 having been fully complied with.

~~Handwritten signature and scribbles~~

COMMISSIONER OF OATHS

Ek sertifiseer dat die boegende verklaaring deur my  
 atgeneem is en dat die verklaarer daarvan in kennis  
 vertrou is met die inhoud en betekenis daarvan en  
 en dit begryp. Hierin word die verklaarer se  
 boedig/ewesig en verpligtheid om die waarheid te  
 sê/te sê te verklaar.

I certify that the above statement was taken  
 by me & that the deponent has acknowledged  
 that he knows & understands the content  
 of the same and that he is fully aware of the  
 consequences of the oath that he is taking.

Sandton 2012-04-20 14:55  
~~Handwritten signature~~  
 BERNARD MATHIBULA  
 FULL FIRST NAME (in BLOCK LETTERS)  
 No 2 Summit Road  
 Morningside  
 SICS  
 SA POLISIEDIENS  
 SA POLICE SERVICE

SOUTH AFRICAN POLICE SERVICES  
 CLIENT SERVICES CENTRE  
 SANDTON  
 2012-04-21  
 KLIENTE DIENSSENTRUM  
 SANDTON  
 SUID AFRIKAANSE POLISIEDIENS

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# POLICY BRIEF

No 2, November 2009

## Is a Fuel Tax Fair?

A Pollution Control Study from South Africa

### Abstract

This CEEPA study from South Africa finds that an environmental tax on gasoline is a viable option for reducing both the amount of fuel that transport in the country uses and the pollution it produces. It also finds that such a tax would not impose an unfair burden on the poor. Indeed, when all forms of fuel use are taken into account, the study concludes that such a tax could actually be progressive (ie. pro-poor). The study also discovers that fuel prices must rise faster than the rate of income growth if gasoline consumption is to be stabilized – again giving justification to a tax measure that would lead to a rise in gasoline costs.



In South Africa road transport is one of the most serious causes of air pollution, fossil fuel consumption and associated environmental degradation. The country already has a heavy dependence on road transport. Its rapid rate of urbanization, economic development and population growth will make traffic-related problems even more severe in the future. This means that finding an answer to the environmental challenge posed by transport in South Africa must be done as quickly as possible; this makes the information provided in this report extremely important and timely.

A summary of CEEPA Discussion Paper No. 44: 'Economic Instruments For Environmental Regulation in Africa: An Analysis Of The Efficacy Of Fuel Taxation For Pollution Control in South Africa', by Emmanuel Ziramba, Wolassa L. Kumo, Oludele A. Akinboade. The Department of Economics, University of South Africa.

### Contacts

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Oludele A. Akinboade Email: akinboa@unisa.ac.za Telephone: +27 12 429 4782

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# Report Summary

In South Africa road transport is one of the most serious causes of air pollution, fossil fuel consumption and associated environmental degradation. The country already has a heavy dependence on road transport. Its rapid rate of urbanization, economic development and population growth will make traffic-related problems even more severe in the future. Now a new CEEPA report has looked at this problem and assessed an environmental tax on gasoline as one potential response. It finds that such a tax is a viable option for reducing both the amount of fuel that transport in the country uses and the pollution it produces. The study is the work of a research team from the Department of Economics at the University of South Africa.

One of the concerns about such an environment tax is the impact it will have on the poor. The study therefore not only looks at the effectiveness of the tax, but also at its potential economic impact on people from different economic levels. It finds that such a fuel tax would not necessarily impose an unfair burden on the poor. Indeed, when all forms of fuel use are taken into account, the study finds that such a tax could actually be progressive (ie. pro-poor). The study also finds that fuel prices must rise faster than the rate of income growth if gasoline consumption is to be stabilized – again giving justification to a tax measure that would lead to a rise in gasoline prices.

## Fuel taxes in South Africa

Fuel taxation in South Africa dates back to June 1978 when it was introduced as a General Sales Tax (GST) at 4% or 1 cent per litre (c/l). After a number of changes, GST was replaced in 1987 by a fuel levy of 30.9 c/l. A fuel tax is currently levied on the consumption of gasoline by households and motor vehicle owners. This tax is justified by the need to raise money to pay for the cost of road construction and maintenance and does not have any specific environmental element.

The idea behind a specific environmental tax on the price of gasoline is that it charges drivers for the damage they cause to the environment. It is, of course, hoped that such a tax will have the beneficial effect of reducing the miles people drive and that it will also encourage them to purchase more fuel-efficient vehicles. Most studies suggest that environmental taxes on gasoline tend to be at least mildly regressive; in other words, they place a larger relative burden on the poor than on the rich. This makes such taxes a less attractive option for policy makers; indeed, the regressive nature of gasoline tax is often cited as one of the strongest arguments against any increase in its amount.

## Is a Fuel Tax Fair?

Such concerns about the unfairness of environmental taxation were the main reason that this study assessed the impact of a 'green' gasoline tax on the poor. Its aim was to see whether such a tax could be implemented as an equitable and effective policy to do something about the country's transport pollution challenge. The study research team also looked at how demand for gasoline is affected by people's income and by the price that people must pay for it. This was done to get a full picture of the economics of gasoline demand.

An assessment such as this can use either income or expenditure as a gauge of a household's economic status and its ability to pay. Using income has one key drawback: evidence suggests that income data may understate the resources available to some households, particularly at the bottom end of the income scale, where unreported income and private transfers (such as gifts from family members) may constitute a significant share of a household's resources.

The researchers involved in this study felt that a household's expenditure provides a better measure of its long-term ability to pay tax; they therefore used expenditure in their assessment. This decision was taken because expenditure reflects people's savings and their expectations of future income. Expenditure therefore reflects households' permanent income better than annual income does. In addition, using expenditure data eliminates the problem of understated household resources.

Table 3: Fuel expenditure/ Total expenditure, by expenditure decile, 2000

Expenditure deciles	Fuel exp/ Total expenditure (%)
1	0.03
2	0.03
3	0.05
4	0.11
5	0.27
6	0.50
7	0.74
8	1.30
9	2.74
10	3.39

Source: Author's tabulations using 2000 Income and Expenditure Survey

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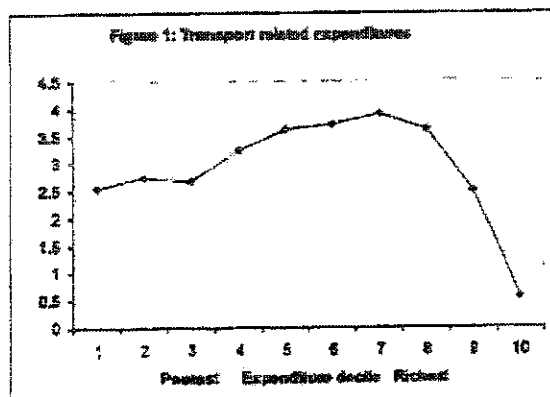
## Getting Information on Fuel Use

The basic data source for this study was the Income and Expenditure Survey, (IES) from the year 2000. This survey contains a representative sample of about 26,264 households drawn from all provinces of South Africa. It provides detailed household-level data on consumption patterns and expenditure as well as information on household income and taxes.

To look at the impact of an environmental fuel tax on different economic groups, the researchers divided the households in the IES survey up into ten different expenditure groups. Using the information from the IES, it was then possible to calculate what percentage of their total household budgets people from each economic strata spend on fuel.

Households also make use of fuel indirectly in other transport related activities. For example, through the use of public and hired transport. The study therefore looked at the percentage of each household's budget that is spent on these activities. Total transport-related expenditure was calculated by adding expenditures on bus travel, train, rented vehicles and furniture removal and the transportation of goods.

To assess how the consumption of gasoline is affected by levels of income and by its price, the researchers analysed data from a variety of sources: information on fuel consumption (based on household expenditure on petroleum products) and real income were obtained from the South African Reserve Bank. Petrol price data was obtained from the South African Energy Statistics and the South African Petroleum Industry Association.



“ An environmental tax on gasoline is a viable option for reducing both the amount of fuel that transport uses and the pollution it produces. ”

## A Fuel Tax can be Progressive

It is found that the percentage of a household's income spent on fuel generally increases as total household expenditure rises. The lowest expenditure group in this study devotes 0.03% of their total expenditures to fuel. The highest expenditure group devotes 3.39% of their total expenditures to fuel. Overall, the study finds that the distribution of fuel expenditure is progressive, with higher income households devoting the highest share of their budgets to fuel.

The analysis of indirect fuel use shows that the lowest expenditure group devotes 2.55% of their total expenditures to transport. This percentage share increases with income until the seventh group. This means that middle income groups spend more on indirect fuel use than other income groups. This shows that transport related services are a necessity for middle income households.

When all forms of fuel use (both direct and indirect) are taken into account fuel expenditures are found to be progressive. The share of household budgets devoted to fuel and transport-related expenditures generally increases with overall expenditure levels. The lowest expenditure group devotes 2.58% of total expenditures to fuel and transport. The ninth highest expenditure group devotes 5.24% of their budgets to this expenditure and the highest expenditure group devotes 3.94%.

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These results suggest that a fuel tax would not necessarily impose an excess burden on the poorest households, as it would have more impact on those richer groups that spend a greater percentage of their overall expenditure on fuel. Indeed, when all forms of fuel use are taken into account, it is clear that such a tax would be generally progressive.

## How to Influence Gasoline Demand

This study's assessment of gasoline demand and how this is affected by gas prices and household incomes has two key conclusions: Firstly, a significant negative relationship exists between gasoline consumption and gasoline price; in other words the more expensive gasoline is, the less demand there is for it. This relationship is more pronounced over the long term. This finding shows that a change in petroleum price will have a larger impact on petrol consumption in the long run than in the short-run. This can be explained by the fact that, over time, consumers will find substitutes for gasoline and so their demand for it will drop away. These findings suggest that using an environmental tax on fuel could be a successful way to reduce consumption.

When the relationship between household income and gasoline demand is examined, it is clear that there is a strong positive relationship between the two. As expected the more income people have, the more gasoline they demand. This finding suggests that petrol consumption will continue to grow as the South African economy grows. As with prices, it is clear that the impact of increased income on gasoline demand is stronger in the long term than in the short term.

Overall, the effect of long-term income growth on gasoline demand is more than twice as strong as the effect of long-term price increases. This indicates that fuel prices must rise faster than the rate of income growth if petrol consumption is to be stabilized.

Overall this study shows that gasoline demand could be controlled using a taxation approach; however, the researchers note that their analysis does not consider the indirect effects of fuel taxation. They also note that reducing pollution (and in particular carbon emissions) requires much more action than just taxing fuel. Other sectors, such as industry and agriculture, are polluting and need to be included in any environmental policy aimed at reducing emissions. However, it is clear that an environmental tax on gasoline would be a good – and socially fair – tool that could be used to help clean up the air in South Africa.

### Introduction

The mission of the Centre for Environmental Economics and Policy in Africa (CEEPA) is to enhance the capacity of African researchers to conduct environmental economics and policy enquiry of relevance to African problems and increase the awareness of the role of environmental economics in sustainable development for economic managers and policy makers. CEEPA's Policy Brief series seek to inform a wide and general audience about research and policy findings from CEEPA studies.

### Research Sponsors



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CEEPA gratefully acknowledges the support provided by the key sponsors for the research summarised in this policy brief. They are the International Development Research Centre (IDRC) and the Swedish International Development Cooperation Agency (Sida). The findings, interpretations and conclusions expressed herein are those of the author(s) and do not necessarily reflect the views of the Board of Executive Directors of IDRC, Sida or our other sponsors. IDRC and Sida do not guarantee the accuracy of the data included in this work.

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NATIONAL ASSEMBLY

FOR WRITTEN REPLY

QUESTION NO 2598

DATE REPLY SUBMITTED: Monday, 31 October 2011

DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: FRIDAY, 09 SEPTEMBER 2011  
(INTERNAL QUESTION PAPER: NO 28 – 2011)

Dr S M van Dyk (DA) asked the Minister of Transport:

With reference to his reply to question 328 on 28 March 2011, (a) how will the road user benefit, (b) what lessons were learnt and (c) how were these lessons incorporated into the planning of the Gauteng Freeway Improvement Project (GFIP)?

NW3013E

REPLY:

The Minister of Transport:

(a)

The economic feasibility study conducted in 2007, before the commencement of the Gauteng Freeway Improvement Project (GFIP), argued that road user benefits would fall within the following categories:

- Travel time savings - road users would experience substantial travel time savings as a result of the improved freeway network and interchanges. These travel time savings would result in social benefits (more time at home or leisure), as well as improved productivity resulting in economic benefits.
- Reduced vehicle operating costs - stop/go travelling results in increased vehicle operating costs, inclusive of the cost of fuel, tyres and vehicle mechanical parts.
- Improved road safety - the upgraded freeway network would improve road safety by means of additional capacity, installation of safety features such as freeway lighting. The installation of ITS (CCTV cameras, electronic signs), together with the provision of incident management vehicles (light and heavy towing vehicles, traffic police and medical assistance), would enable the South African National Roads Agency Limited (SANRAL) to detect incidents, and respond in an effective way.

As can be seen, the key assumption of the 2007 feasibility study was that the GFIP Project would reduce congestion. In my considered view, and in retrospect, the original feasibility study did not sufficiently weigh up international evidence suggesting that freeway expansion often does not in the medium term resolve congestion challenges, and often induces greater demand.

It also failed to consider alternative solutions to congestion – improved public transport provision, moving more freight onto rail and a curb on urban sprawl. The projected benefits to

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road users may, therefore, unfortunately not be forthcoming. This is the subject of further assessment and consultation by the Department of Transport and a Cabinet Task Team.

(b) and (c)

In terms of the Gauteng Freeway Improvement Project (GFIP), the project is still in the implementation phase and I have instructed the South African National Roads Agency Limited (SANRAL) to halt construction on future proposed phases until the issues referred to in (a) above, and other matters, have been adequately considered.

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[SANRAL LETTERHEAD]

XXXX a division of XXXXXXXX.

Address:

XXXX.

XXXX.

XXXX.

XXXXX

Dear Sirs

**REGISTRATION OF VEHICLES WITH SANRAL'S TRANSACTION CLEARING HOUSE (TCH) AND LIABILITY FOR TOLL TRANSACTIONS**

- 1 We hereby confirm that- XXXX, a division of- XXXXX-, Registration Number XXX ("**Contracting Party**"), and SANRAL intend to enter into an agreement ("**Registration Agreement**"), subject to the terms thereof having been agreed, which will regulate the basis upon which the Contracting Party will be entitled to register its vehicles, by providing certain relevant details of the vehicles ("**Contracting Party's Vehicles**"), with the TCH and to regulate the liability for Toll Transactions incurred by the user of the Contracting Party's Vehicles. The Contracting Party's Vehicles will then be allocated e-tags, by the Contracting Party, for purposes of installation in the Contracting Party's Vehicles which will identify all toll transactions, on the toll roads which constitute the Gauteng Freeway Improvement Project (GFIP) and/or other specified toll roads. The Contracting Party will be liable to SANRAL for all toll transactions incurred by the Contracting Party's Vehicles from the date of registration of the Contracting Party's Vehicles with TCH.
  
- 2 As the process of registering users of toll roads and which shall operate in a free flow electronic tolling environment, is underway and prior to entering into the Registration Agreement, SANRAL and the Contracting Party wish to record the terms and conditions upon which -

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- 2.1 the Contracting Party shall order and take into stock the initial number of e-tags required for purposes of registering the Contracting Party's Vehicles with the TCH;
  - 2.2 SANRAL shall provide the Contracting Party with e-tags; and
  - 2.3 the Contracting Party shall register the Contracting Party's Vehicles with the TCH.
- 3 It is recorded that should the Registration Agreement not be concluded by toll commencement, or any other date as agreed by the parties, then the provisions of this letter shall terminate. In such circumstances the Parties shall be entitled to be restored as near as possible to the positions in which they would have been, had this letter not be entered into.
- 4 Within 10 days of the date of this letter, the Contracting Party shall order and take into stock and SANRAL shall deliver to the Contracting Party the e-tags specified in the document appended hereto marked "A". The Contracting Party shall, subject to 5 hereunder, not make any payment to SANRAL in respect of such e-tags.
- 5 All the e-tags delivered to the Contracting Party, in terms of 4 above, are delivered to the Contracting Party on the basis that they shall remain the property of SANRAL. The risk of loss, theft or damage of the e-tags shall pass to the Contracting Party on delivery of the e-tags to the Contracting Party.
- 6 The Contracting Party shall register the Contracting Party's Vehicles with the TCH in accordance with the requirements of the Interface Description Document provided by SANRAL, the latest copy of which is appended hereto marked "B". The Interface Description Document shall be amended by SANRAL on written notice to the Contracting Party, from time to time.
- 7 Should any Party ("**Defaulting Party**") commit a breach of the terms and conditions of this letter and fail to remedy such breach within 14 (fourteen) days of receipt of written notice calling upon it to do so, the other Party will be entitled, but

not obliged, in addition to any other rights which it may have or remedies which may be available to it -

- 7.1 to obtain an order against the Defaulting Party for specific performance, whether or not any obligations in respect of which specific performance is claimed have fallen due for performance, with or without claiming damages; or
- 7.2 to cancel the terms and conditions of this letter forthwith, with or without claiming damages.
- 8 In the event of there being any dispute or difference between the parties arising out of the terms and conditions of this letter, or in connection with it, or regarding its interpretation, validity, execution, implementation, termination or cancellation, the said dispute or difference shall on written demand by either party be submitted to arbitration in Sandton in accordance with the Arbitration Foundation of Southern Africa ("**AFSA**") rules for commercial arbitration.
- 9 Nothing herein contained shall be deemed to prevent or prohibit either party from applying to the appropriate court for urgent relief or for judgment in relation to a liquidated claim.
- 10 Neither party shall be entitled to cede or assign its rights or obligations respectively in terms hereof, without the prior written consent of the other party.
- 11 That contained herein constitutes the sole record of the agreement between the parties hereto in regard to the subject matter hereof.
- 12 No party to this letter shall be bound by any express or implied term, representation, warranty, promise or the like not recorded herein or reduced to writing and signed by or on behalf of the parties hereto.
- 13 This letter shall be governed in all respects by the law of the Republic.
- 14 No addition to, variation or agreed cancellation of the provisions of this letter shall be of any force or effect unless in writing and signed by or on behalf of the parties hereto.

Handwritten signature and initials in the bottom right corner of the page.



15 The Parties select as their respective *domicilia citandi et executandi* the following physical addresses, and for the purposes of giving or sending any notice provided for or required under this letter, the said physical addresses as well as the following telefax numbers -

15.1 SANRAL -

48 Tambotie Avenue  
Val de Grace  
Pretoria  
0001  
Fax Number: +27 (0) 12 844 8200  
Attention: Ms Inge Mulder

15.2 Contracting Party -

XXXX  
XXXX  
Fax Number:  
Attention:

16 Please countersign a duplicate original of this letter in order to signify your acceptance of the terms contained herein.

Yours faithfully

\_\_\_\_\_  
**SANRAL**

We, xxx a division of xxxxxx, by our signature hereto, do hereby signify our acceptance of the terms contained herein.

\_\_\_\_\_  
xxx who warrants he is duly authorised.

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# BUSINESSREPORT

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SOUTH AFRICA'S NATIONAL FINANCIAL DAILY

FRIDAY, APRIL 13, 2012

## INDUSTRIAL DISCONTENT

Class war must end if the global economy is to stave off a race to the very bottom

Terry Bell, page 18

## VEHEMENT DENIAL

MTN Group chief executive Sifiso Dabengwa rubbishes Turkcell's claims

Companies, page 19

## E-toll registration booths deserted

Gauteng's e-toll registration outlets were empty yesterday with virtually no-one registering on e-tags, despite the looming April 30 deadline. When the tolls go live, the bright orange e-toll registration booths operated by the SA National Roads Agency are in shopping malls and alongside highways across Gauteng for motorists to register for e-toll fees. Yet, despite being staffed with between three and five cashiers and a branch supervisor, outlets had no customers. At one outlet a cashier was painting her nails while another was reading a magazine. Some booths also had self-help computers for those who did not need direct help, flat screen televisions sets and comfortable chairs in anticipation of the queues. - Sapa

Zimbabweans send R6.8bn home

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Table 23: Travel frequency and travel time, work commuters

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Monthly Distance: Commuters		
Sample size 9244		
(km)	% of total	Cumulative total
>100	9%	9%
100-199	10%	19%
200-299	8%	27%
300-399	6%	33%
400-499	8%	41%
500-599	5%	46%
600-699	5%	50%
700-799	5%	56%
800-899	5%	61%
900-999	3%	64%
1000-1199	7%	70%
1200-1399	8%	79%
1400-1599	5%	84%
1600-1999	9%	92%
2000-2500	5%	98%
>2500	2%	100%
Total	100%	

The final calculation that is made is to determine the likely toll burden at different income levels. The cost of tolling is based on a toll of 71.5c per km adjusted for two types of discounts. These are an electronic tag discount of 20% and frequent user discounts as given in Table 24. Off peak and other discounts are not included in the analysis. The analysis is again based on the telephonic interviews that were conducted and the results are reported in Table 27 and Table 28. It is well known that questions about income are problematic in any survey. This appears to have been true of the telephonic survey as well. The first problem is that many people refuse to disclose their income. Hence it can be seen that of the total of over 27 000 interviews only 5 524 people were prepared to disclose their incomes. The second is that people often report an income that is at variance with their true income.

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# OUTA calculations : E-Toll vs. Petrol Levy

- The Gaugeng Freeway Improvement Plan (GFIP) cost R23bn (included some unnecessary cost for gantries and e-toll infrastructure - see \*), now less R5.8bn of tax payers money put toward the finance costs from National Treasury. Therefore, as citizens, we still owe R17,2bn
- OUTA and its supporters have no problem with GFIP, and we congratulate SANRAL for the much needed freeway upgrade. Our concern and objection however, is the manner in which the authorities intend to raise the funds from its citizens to pay for the GFIP
- The issue at stake here is not the roads, but the intention to collect the GFIP funds through an inefficient, complex and expensive system of e-tolling, when a highly efficient and far cheaper means of applying a very small (0,7%) increase to the fuel levy would suffice.
- The table and explanations below puts the argument for a "fuel levy" in favour of an "E-Toll" process and highlights the exhorbitant additional costs due to the citizen if E-Tolling is applied? What on earth did they not see?

THE ACTUAL FINANCE REQUIRED FOR GFIP		PER ANNUM (Ave)	20 YEAR PERIOD	NOTES	
1	Debt for GFIP (including Gantries) *	23 000 000 000		See "**Details of GFIP CAPEX" provided below	
2	Taxes paid to reduce burden from Nat Treasury:	-5 800 000 000		As mentioned during budget speech on 22 Feb 2012 by Min P Gordhan	
3	Net Capital Due	17 200 000 000	860 000 000	17 200 000 000	
4	Interest	7%	763 558 323	15 271 166 456	The interest rates applied for projects of this magnitude and which attracts investment for funding of Government Bonds
5	Period of repayment (years)	20			The period over which projects of this nature are depreciated
6	FULL PAYMENT required to finance GFIP over period:	1 623 558 323	32 471 166 456		Includes capital and interest cost.

WHAT E-TOLL MODEL WILL COST THE PUBLIC		PER ANNUM (Ave)	20 YEAR PERIOD	NOTES	
7	Min. costs to Administer and Manage E-tolling gantry system (SANRAL - tenders)	1 300 000 000	26 000 000 000		<b>NB:</b> This is the minimum estimated. SANRAL have indicated there are other operating costs but have never explained these. Some estimate the annual Admin and Operating costs to be as high as R2bn / annum. For the sake of this exercise, we are conservative and use R1,3bn with NO escalation over 20 yrs.
8	Total cost to be repayed by Road User (6 + 7)	2 923 558 323	58 471 166 456		i.e. The Road construction + interest + E-Toll admin & Operating exps
9	Est. Revenue p/a from E-Toll collections **	2 568 870 000	R 102 754 800 000		Over 20 yr period - escalated at 7% pa: i.e. assigning 4% for inflationary price increase and 3% for vehicle / road user increase.
10	Shortfall / Profit made by SANRAL (9 - 8):	-354 688 323	44 283 633 544		Starts off with a shortfall but improves rapidly and over 20 years to become a significant profit.
11	THE OVERPAYMENT BY ROAD USER (9 - 6):	945 311 677	R 70 283 633 544		The 'Per Annum' figure is the average over the full period.
12	INCREASED COST TO CITIZENS:	58%	216%		Overpayment by road users starts out at 58% in first year but over the entire period, escalates to over 200%

THE FUEL LEVY FUNDING MODEL / SCENARIO		PER ANNUM (Ave)	20 YEAR PERIOD	NOTES	
13	FULL PAYMENT required to finance GFIP over period:	1 623 558 323	32 471 166 456		
14	Est Ave Fuel consumed in SA / annum: ***	22 000 000 000	594 000 000 000		Assuming there will be a 3% compounded increase in car park / vehicles over the next 20 years
15	To cover GFIP costs, fuel levy increase:	R 0,074	R 0,055		Effectively, over 20 years, we would only need to increase current fuel price by under 6c per litre to pay off the GFIP

** Breakdown of GFIP CAPEX (figures provided by SANRAL)	
Roads	17 884 002 094
Gantries (civil work)	393 867 035
Systems	1 837 480 096
Aidrand	229 756 283
Cust. Centre + incident m.	217 217 399
Capex	20 562 322 907
Cost overruns and interest accrued (est)	2 437 677 093
Total debt (SANRAL CEO)	23 000 000 000

** Savaris estimate of e-Toll collections	
Daily gantry transactions (per SANRAL)	2 300 000
Compliance (some est. less than 70%)	85%
Net daily transactions being effectively charged for	1 955 000
Ave Revenue / transaction: (adjusted for larger vehicles)	3.60
Annual funds generated by e-Toll:	2 568 870 000

\*\*\* SA Petroleum Industries Assoc (SAPIA) - Annual rep 2009 Pg 15 (SA consumed approximately 11.3-billion litres of petrol and 9.1-billion litres of diesel during 2009). Assumed an additional 5% in litres consumed over the past three years.

**CONCLUSIONS:**

- 1) The E-Tolling model to fund GFIP will cost citizens (predominantly Gauteng) an extra R70,3bn (i.e. 218%) more that they need to pay for the GFIP over 20 years.
- 2) E-Toll Admin & Management costs of R26bn over 20 years is more than the GFIP capital cost. SANRAL have not disclosed the full extent of these E-Toll operating expenses and some estimate this to be between R1,5 and R2 bn / annum.
- 3) In addition to these "admin and operational" expenses, based on the expected and estimated collections, SANRAL will earn a profit of R44bn over the 20 year period.

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## Statistical tables

- 1 Main budget: Revenue, expenditure, deficit and financing, 2004/05 to 2013/14
- 2 Main budget: Summary of revenue, 1993/94 to 2013/14
- 3 Main budget: Revenue – detailed classification, 2007/08 to 2011/12
- 4 Main budget: Expenditure estimates by vote, 2007/08 to 2013/14
- 5 Consolidated national, provincial and social security funds expenditure: Economic classification, 2007/08 to 2013/14
- 6 Consolidated national, provincial and social security funds expenditure: Functional classification, 2007/08 to 2013/14
- 7 Consolidated government expenditure: Functional and economic classification, 2007/08 to 2013/14
- 8 Total debt of government, 1986/87 to 2013/14
- 9 Financial guarantees: Amounts drawn on government guarantees, 2007/08 to 2010/11

### ■ Explanatory notes on the statistical tables

#### General remarks

This annexure presents details of the main budget, consolidated national and provincial expenditure, consolidated government expenditure, the borrowing requirement and financing thereof, government debt and financial guarantees. While government revenues are concentrated at the national government level, expenditure shifted from the national towards the provincial sphere after 1994. Equitable share transfers to the nine provinces as a statutory commitment of government began in 1998/99, and the 1998 Budget marked the introduction of the local government equitable share. In the 2010 Budget the coverage on the consolidated government account is extended to include the accounts of all the listed public entities of national government, a further step towards the publication of a complete set of consolidated accounts for general government. The consolidation also includes several business enterprises of national government.

Since more than 70 per cent of total expenditure on the main budget of 2011/12 comprises transfer payments to other levels of general government, economic and functional classifications of national budget expenditure are not comprehensive. For purposes of analysis, it would be preferable to present economic and functional classifications of the expenditure of general government. This requires information on expenditure at all levels of general government and on its financing through revenue, balances brought forward and transfer payments (mainly from the national budget). This information is

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Table 2  
Main Budget: Estimates of national revenue  
Summary of revenue 1)

	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00
<b>Actual collections</b>							
<b>R million</b>							
Taxes on income and profits	56 833.7	61 004.7	68 883.8	82 075.1	95 003.6	106 021.5	118 148.9
Persons and individuals	37 805.3	44 972.8	51 176.3	59 518.8	68 342.4	77 733.9	85 863.8
Gold mines	822.5	1 172.7	893.7	507.7	532.5	186.6	-
Other mines	506.6	487.2	714.8	1 341.0	1 349.4	1 940.1	-
Companies	10 359.3	11 961.3	14 059.0	16 005.0	19 696.4	20 386.0	20 971.6
Secondary tax on companies	676.7	1 303.6	1 262.2	1 337.9	1 446.4	1 930.8	3 149.9
Tax on retirement funds	-	-	-	2 565.5	3 229.7	5 086.5	5 330.4
Other	2)	761.4	774.8	918.6	666.0	735.3	813.1
Taxes on payroll and workforce	-	-	-	-	-	-	6.1
Skills development levy	3)	-	-	-	-	-	0.1
Taxes on property	1 566.9	2 074.7	2 233.9	2 359.3	2 618.4	2 830.4	3 008.4
Donations tax	39.0	104.4	61.0	46.7	17.7	9.3	15.2
Estate duty	112.5	126.3	181.3	181.6	302.6	256.4	304.2
Securities transfer tax	4)	367.0	462.9	397.2	442.3	771.1	1 090.4
Transfer duties	1 078.7	1 416.8	1 528.7	1 733.5	1 855.6	1 866.4	1 821.8
Demutualisation charge	-	-	-	-	-	278.5	577.6
Domestic taxes on goods and services	32 946.2	44 870.3	46 881.7	52 572.9	60 619.0	66 213.2	72 164.7
Value-added tax	25 449.0	29 288.4	32 788.2	35 902.5	40 065.0	43 965.4	46 376.8
Specific excise duties	4 628.3	5 401.3	5 075.0	5 612.4	7 425.8	8 052.6	8 896.1
Ad valorem excise duties	338.7	372.6	400.2	748.7	681.6	518.9	584.3
General fuel levy	7 860.2	8 351.5	8 928.0	10 391.6	12 091.2	13 640.0	14 289.8
Air departure tax	-	-	-	-	-	-	-
Electricity levy	-	-	-	-	-	-	-
Other	5)	673.0	730.2	647.2	424.8	10.0	47.6
Taxes on international trade and transactions	5 246.8	5 680.4	6 169.6	7 200.5	9 038.6	9 852.5	9 776.1
Customs duties	3 413.4	4 247.0	5 325.8	5 518.0	6 055.7	5 995.7	6 517.0
Import surcharges	1 766.1	1 370.8	450.7	-5.0	-1.4	1.0	0.4
Other	7)	77.3	189.5	387.1	688.4	-415.7	259.9
Stamp duties and fees	846.7	942.9	1 024.5	1 202.4	1 483.2	1 489.0	1 618.3
State miscellaneous revenue	8)	10.3	75.6	94.1	121.2	36.0	727.0
<b>TOTAL TAX REVENUE (gross)</b>	<b>97 487.7</b>	<b>113 774.5</b>	<b>127 278.0</b>	<b>147 332.3</b>	<b>166 327.4</b>	<b>184 785.9</b>	<b>201 265.0</b>
Non-tax revenue	9)	2 275.7	1 802.2	2 614.9	3 523.7	3 299.4	4 093.8
Less: SACU payments	10)	-3 889.4	-3 246.8	-3 896.1	-4 362.7	-5 237.2	-5 976.7
<b>TOTAL MAIN BUDGET REVENUE</b>	<b>96 874.0</b>	<b>112 327.9</b>	<b>126 082.7</b>	<b>146 492.4</b>	<b>163 389.6</b>	<b>184 005.4</b>	<b>199 162.4</b>
Current revenue	96 645.2	112 312.4	125 879.4	146 477.7	163 371.2	183 978.5	198 120.7
Direct taxes	51 091.0	61 234.4	69 126.1	83 104.6	95 323.9	108 565.5	117 045.3
Indirect taxes	46 306.4	52 464.5	56 067.7	64 106.6	70 039.5	75 041.1	83 489.7
State miscellaneous revenue	10.3	75.6	94.1	121.2	36.0	179.3	727.0
Non-tax revenue (excluding sales of capital assets)	12)	2 246.9	1 780.7	2 591.5	3 506.0	3 263.0	4 052.1
Less: SACU payments	-3 089.4	-3 246.8	-3 896.1	-4 362.7	-5 237.2	-5 976.7	-7 197.3
Sales of capital assets	28.8	15.5	23.4	14.7	18.4	28.6	41.7
Extraordinary receipts	13)	1 562.7	1 201.0	1 391.4	1 529.4	2 947.4	7 236.3

1) Data prior to 1994/95 (representing the former State Revenue Account) are adjusted to be comparable to the current National Revenue Fund (see introductory notes to this statistical annexure). Data prior to 1993/94 include collections by the former TBVC states and self-governing territories.

2) Includes interest on overdue income tax, non-resident shareholders' tax (prior to 1998/00), non-residents' tax on interest (prior to 1998/00), undistributed profits tax (prior to 1998/00) and small business tax amnesty (in 2000/01, 2007/08 and 2008/09).

3) Levy on payroll dedicated to skills development.

4) The Securities Transfer Tax (STT) replaced the Uncertificated Securities Tax (UST) as from 1 July 2008. The UST replaced the marketable securities tax as from 1 June 1999.

5) The value-added tax (VAT) replaced the general sales tax in September 1991.

6) Includes plastic bag levy (from 2004/05), Universal Service Fund (from 1998/99), Human Resources Fund and Universal Service Agency (in 1998/99 and 1999/00), Indes on financial services (up to 2004/05) and CG, motor vehicle emissions tax (from 2013/14). Mining leases and ownership tax has been reclassified as non-tax revenue. The historical years from 1996/99 have been adjusted for comparative purposes.

Table 2  
Main Budget: Estimates of national revenue  
Summary of revenue (1)

2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	
Actual collections							R million
126 145.2	147 310.4	164 885.8	171 962.0	188 219.1	210 803.6	279 990.5	Taxes on income and profits
86 478.0	80 389.8	84 336.7	88 495.1	110 981.9	126 643.3	140 578.3	Persons and individuals
-	-	-	-	-	-	-	Gold mines
-	-	-	-	-	-	-	Other mines
39 491.8	42 354.8	55 745.1	60 882.8	76 781.9	86 160.6	118 998.8	Companies
4 031.3	7 167.7	6 325.6	6 122.9	7 487.7	12 277.6	15 291.4	Secondary tax on companies
5 216.8	6 190.8	6 598.7	4 897.7	4 406.1	4 783.1	2 190.5	Tax on retirement funds
924.3	1 213.1	1 169.0	1 558.3	1 562.2	1 936.7	1 831.7	2) Other
1 257.4	2 717.3	3 352.1	3 896.4	4 443.3	4 872.6	5 597.4	Taxes on payroll and workforce
1 257.4	2 717.3	3 352.1	3 896.4	4 443.3	4 872.6	5 597.4	3) Skills development levy
3 978.8	4 623.3	5 084.3	6 787.5	9 012.6	11 137.5	16 332.3	Taxes on property
37.1	20.6	17.7	17.1	25.2	29.5	47.0	Donations tax
442.7	481.9	432.7	417.1	306.9	624.7	747.4	Estate duty
1 102.1	1 212.8	1 296.2	1 401.1	1 365.9	1 873.4	2 763.9	4) Securities transfer tax
2 401.0	2 918.0	3 429.0	5 172.1	7 114.5	9 510.0	6 774.0	Transfer duties
-	-	-	-	-	-	-	Demutualisation charge
78 673.5	86 685.1	97 311.5	110 188.8	121 986.5	151 223.7	174 671.4	Domestic taxes on goods and services
54 455.2	61 656.8	70 148.9	80 681.8	98 157.9	114 261.6	134 462.6	5) Value-added tax
9 126.6	9 787.2	10 422.8	11 364.6	13 066.7	14 548.5	16 589.5	Specific excise duties
863.9	776.1	1 050.2	1 015.2	1 015.2	1 157.3	1 287.7	Ad valorem excise duties
14 455.3	14 823.3	15 333.8	16 852.4	19 190.4	23 506.7	21 844.6	General fuel levy A
85.8	286.4	324.8	387.2	432.2	456.2	484.6	Air departure tax
-	-	-	-	-	-	-	Electricity levy
20.7	35.5	30.3	26.5	138.3	203.4	227.2	6) Other
8 226.6	8 886.1	9 819.3	8 414.3	13 286.5	18 286.5	24 907.2	Taxes on international trade and transactions
7 853.6	8 632.2	9 330.7	8 479.4	12 888.4	16 303.5	23 687.0	Customs duties
0.0	0.5	0.0	-	-	-	-	Import surcharges
372.9	47.4	288.1	-85.1	398.1	-101.6	365.2	7) Other
1 561.6	1 767.2	1 572.4	1 288.1	1 167.7	792.8	515.7	Stamp duties and fees
72.0	306.7	433.0	-7.1	-130.9	164.2	338.2	8) State miscellaneous revenue
229 119.1	252 295.0	281 935.3	302 442.6	354 975.8	417 195.7	495 548.6	TOTAL TAX REVENUE (gross)
3 868.8	4 172.2	4 827.9	5 711.3	8 283.3	8 897.1	10 843.3	9) Non-tax revenue
-6 196.1	-1 294.8	-6 259.4	-9 722.7	-13 327.8	-14 144.8	-25 194.9	10) Less: SACU payments
215 591.8	244 292.4	278 507.7	299 431.2	347 854.4	411 747.9	481 197.0	TOTAL MAIN BUDGET REVENUE
215 548.4	244 258.2	278 448.9	299 414.7	347 824.2	411 661.8	481 158.2	Current revenue
137 877.4	150 830.1	168 368.4	176 293.5	209 194.5	236 326.7	286 362.4	Direct taxes
32 169.7	19 458.2	113 137.9	126 156.1	154 912.3	180 701.8	208 327.1	Indirect taxes
72.0	306.7	433.0	-7.1	-130.9	164.2	338.2	State miscellaneous revenue
3 826.4	4 168.0	4 770.0	6 694.6	8 173.2	8 617.0	10 804.5	11) Non-tax revenue (excluding sales of capital assets)
-8 296.1	-6 294.8	-6 259.4	-9 722.7	-13 327.8	-14 144.8	-25 194.9	Less: SACU payments
43.9	4.2	37.5	16.5	30.2	79.3	38.8	Sales of capital assets
2 963.8	4 169.1	4 187.8	1 596.2	2 492.0	6 065.2	3 438.1	13) Extraordinary receipts

7) Includes miscellaneous customs and excise receipts, ordinary levy (up to 2004/05) and diamond export duties.  
 8) Includes revenue received by SAPS which could not be allocated to a specific revenue type.  
 9) Includes sales of goods and services, fines, penalties and forfeits, interest, dividends and rent on land (including mineral and petroleum royalties), sales of capital assets as well as transactions in financial assets and liabilities.  
 10) Payments in terms of Southern African Custom Union (SACU) agreements.  
 11) Payment to SACU partners in respect of a previous error in calculation of the 1999 agreement.  
 12) Excludes sales of capital assets.  
 13) Sales of fireproof fuel stocks, proceeds from sales of state assets and certain other receipts are, by law, paid into the National Revenue Fund, but are not regarded as departmental receipts.

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Table 2  
Main Budget: Estimates of national revenue  
Summary of revenue <sup>1)</sup>

	2007/08	2008/09	2009/10	2010/11		2011/12	
	Actual collections			Revised estimates	% change on actual 2009/10	Budget estimates Before tax proposals	After
<b>R million</b>							
<b>Taxes on income and profits</b>	<b>332 056.3</b>	<b>383 482.7</b>	<b>359 044.3</b>	<b>380 000.0</b>	<b>5.8%</b>	<b>426 694.6</b>	<b>418 344.8</b>
Persons and individuals	195 774.4	195 145.0	205 145.0	228 000.0	11.1%	281 696.0	252 700.0
Companies	140 119.8	185 378.3	134 893.4	152 500.0	-1.8%	143 695.0	144 950.0
Secondary tax on companies	20 585.4	20 917.6	18 487.8	16 500.0	6.7%	16 900.0	16 900.0
Tax on retirement funds	285.4	143.3	42.7	-	-100.0%	-	-
Other	2 295.3	3 828.6	3 505.9	3 000.0	-12.1%	3 329.6	3 329.6
<b>Taxes on payroll and worklife</b>	<b>6 336.3</b>	<b>7 327.3</b>	<b>7 804.3</b>	<b>8 420.0</b>	<b>7.8%</b>	<b>9 150.0</b>	<b>9 150.0</b>
Skills development levy	6 330.9	7 327.3	7 804.3	8 420.0	7.9%	9 150.0	9 150.0
<b>Taxes on property</b>	<b>11 883.9</b>	<b>9 477.1</b>	<b>8 826.4</b>	<b>9 365.0</b>	<b>6.1%</b>	<b>10 340.0</b>	<b>9 500.0</b>
Donations tax	27.6	125.0	60.1	60.0	-	70.0	70.0
Estate duty	651.0	758.7	758.3	800.0	6.4%	870.0	870.0
Securities transfer tax	3 757.1	3 664.6	3 324.0	3 000.0	-9.7%	3 300.0	3 300.0
Tax on duties	7 408.2	4 930.9	4 683.0	5 500.0	17.4%	6 100.0	5 300.0
<b>Domestic taxes on goods and services</b>	<b>594 890.3</b>	<b>201 416.0</b>	<b>203 666.6</b>	<b>247 540.0</b>	<b>21.8%</b>	<b>289 235.0</b>	<b>274 210.0</b>
Value-added tax	150 442.8	158 345.1	147 941.3	161 333.0	22.6%	200 800.0	200 800.0
Specific excise duties	18 210.4	20 184.5	21 285.3	22 900.0	7.9%	23 300.0	25 000.0
Ad valorem excise duties	1 480.5	1 169.9	1 275.9	1 900.0	48.9%	2 000.0	2 200.0
General fuel levy	23 740.5	24 833.8	26 825.5	34 300.0	19.9%	35 000.0	36 000.0
Air departure tax	540.6	549.4	600.3	700.0	21.8%	700.0	700.0
Electricity levy	-	-	3 341.7	5 200.0	53.8%	6 300.0	6 500.0
Other	287.5	395.7	405.7	1 200.0	189.8%	1 850.0	1 850.0
<b>Taxes on international trade and transactions</b>	<b>27 081.9</b>	<b>22 852.4</b>	<b>19 318.8</b>	<b>26 700.0</b>	<b>38.7%</b>	<b>30 325.4</b>	<b>30 325.4</b>
Customs duties	26 469.9	22 751.0	19 677.1	26 400.0	34.8%	29 800.4	29 800.4
Other	612.0	101.4	-258.3	300.0	-251.0%	465.0	465.0
<b>Stamp duties and fees</b>	<b>597.1</b>	<b>571.8</b>	<b>48.6</b>	<b>5.0</b>	<b>-89.9%</b>	<b>-</b>	<b>-</b>
<b>State miscellaneous revenue</b>	<b>212.2</b>	<b>-27.8</b>	<b>-8.7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL TAX REVENUE (gross)</b>	<b>672 814.4</b>	<b>625 100.2</b>	<b>608 704.4</b>	<b>672 200.0</b>	<b>12.3%</b>	<b>745 735.0</b>	<b>741 620.0</b>
Non-tax revenue	12 692.6	12 616.2	8 888.5	12 254.0	37.9%	10 000.0	10 000.0
Less: SACU payments	-24 712.6	-28 920.8	-27 915.4	-14 991.3	-46.3%	-21 763.2	-21 763.2
Other adjustment	-	-	-	-2 906.0	-	-	-
<b>TOTAL MAIN BUDGET REVENUE</b>	<b>560 794.6</b>	<b>508 795.7</b>	<b>579 678.5</b>	<b>666 562.7</b>	<b>15.8%</b>	<b>713 971.7</b>	<b>729 857.7</b>
<b>Current revenue</b>	<b>486 564.4</b>	<b>608 664.5</b>	<b>579 642.3</b>	<b>669 404.4</b>	<b>15.5%</b>	<b>733 010.5</b>	<b>729 795.5</b>
Direct taxes	328 107.8	391 691.9	367 669.0	399 395.0	9.9%	426 784.5	428 434.6
Indirect taxes	233 494.6	233 439.6	231 045.1	282 625.0	22.4%	306 900.4	313 166.4
State miscellaneous revenue	212.2	-27.4	-5.7	-	-	-	-
Non-tax revenue (excluding sales of capital assets)	12 462.4	12 486.0	8 652.3	12 195.7	37.8%	9 936.7	9 936.7
Less: SACU payments	-24 712.6	-28 920.8	-27 915.4	-14 991.3	-46.3%	-21 763.2	-21 763.2
Sales of capital assets	238.2	131.2	36.3	58.3	80.8%	82.2	82.2
<b>Extraordinary receipts</b>	<b>1 849.8</b>	<b>6 202.3</b>	<b>6 434.6</b>	<b>3 148.0</b>	<b>-</b>	<b>-</b>	<b>-</b>

- 1) Data prior to 1974/75 (representing the former State Revenue Account) are adjusted to be comparable to the current National Revenue Fund (see introductory notes to the statistical annexure). Data prior to 1995/96 include collections by the former TRVC states and self-governing territories.
- 2) Includes interest on overdue income tax, non-resident shareholders' tax (prior to 1993/00), non-residents' tax on interest (prior to 1996/00), unincorporated profits tax (prior to 1998/00) and small business tax amnesty (in 2004/05, 2007/08 and 2008/09).
- 3) Levy on payroll dedicated to skills development.
- 4) The Securities Transfer Tax (STT) replaced the Unclassified Securities Tax (UST) as from 1 July 2008. The UST replaced the marketable securities tax as from 1 June 1999.
- 5) The value-added tax (VAT) replaced the general sales tax in September 1991.
- 6) Includes plastic bag levy (from 2004/05), Universal Service Fund (from 1996/00), Human Resources Fund and Universal Service Agency (in 1998/99 and 1999/00), levies on financial services (up to 2004/05) and CO<sub>2</sub> motor vehicle emissions tax (from 2010/11). Mining levies and ownership has been reclassified as non-tax revenue. The historical years from 1998/99 have been adjusted for comparative purposes.



Table 2  
Main Budget: Estimates of national revenue  
Summary of revenue <sup>1)</sup>

2011/12		2012/13		2013/14			R million
% change on revised 2010/11	% of total budget revenue	Estimates	% change on after tax proposals 2011/12	Estimates	% change on 2012/13		
10.1%	57.3%	469 709.1	12.3%	533 586.6	13.6%	Taxes on income and profits	
10.9%	34.6%	292 709.8	15.2%	337 970.0	16.5%	Persons and individuals	
6.6%	19.3%	161 348.5	11.9%	178 232.2	10.6%	Companies	
9.7%	2.6%	11 896.0	-33.2%	13 320.0	11.1%	Secondary tax on companies	
-	-	-	-	-	-	Tax on retirement funds	
8.1%	0.6%	3 658.8	8.9%	4 040.4	10.4%	Other	2)
1.7%	1.3%	9 610.0	5.0%	10 136.6	5.4%	Taxes on payroll and workforce	
9.7%	1.3%	9 610.0	5.0%	10 136.6	5.4%	State development levy	3)
2.4%	1.1%	11 680.0	15.3%	12 695.4	14.2%	Taxes on property	
7.7%	0.0%	80.0	14.3%	85.4	6.7%	Donations tax	
9.7%	0.1%	960.0	10.3%	1 050.0	10.4%	Estate duty	
10.0%	0.3%	3 630.0	10.0%	4 010.0	10.5%	Succession duties tax	4)
-2.7%	0.7%	8 390.0	19.4%	7 640.0	18.0%	Transfer duties	
10.8%	37.6%	302 880.5	10.5%	333 178.0	10.0%	Domestic taxes on goods and services	
10.8%	27.5%	226 900.0	13.0%	254 330.0	12.1%	Value-added tax	5)
2.5%	3.4%	25 910.2	3.3%	26 660.0	2.9%	Specific excise duties	
17.4%	0.3%	2 450.0	9.2%	2 710.0	10.6%	All value-added excise duties	
7.8%	5.1%	38 110.0	3.3%	39 150.0	2.3%	General fuel levy at	
3.5%	0.1%	760.0	4.1%	780.0	3.3%	Air departure tax	
25.6%	0.9%	6 800.0	4.1%	7 460.0	9.7%	Electricity levy	
54.8%	0.3%	1 950.0	6.1%	2 030.0	4.1%	Other	6)
13.2%	4.2%	34 086.7	12.3%	38 404.1	12.8%	Taxes on international trade and transactions	
13.1%	4.1%	33 530.0	12.3%	37 820.0	12.8%	Customs duties	
19.2%	0.1%	529.7	12.0%	584.1	12.2%	Other	7)
-	-	-	-	-	-	Stamp duties and fees	
-	-	-	-	-	-	State miscellaneous revenue	8)
10.3%	101.8%	927 310.0	11.5%	927 968.0	12.2%	TOTAL TAX REVENUE (gross)	
-18.4%	1.4%	11 640.0	15.4%	12 351.1	7.8%	Non-tax revenue	9)
45.2%	-3.8%	-32 631.8	46.8%	-35 997.4	11.0%	Less: SACU payments	10)
-	-	-	-	-	-	Other adjustment	11)
9.5%	100.0%	904 418.2	10.5%	904 313.7	12.1%	TOTAL MAIN BUDGET REVENUE	
9.8%	100.0%	886 332.8	10.6%	884 243.2	12.1%	Current revenue	
10.6%	58.7%	490 359.1	12.1%	544 836.0	19.4%	Direct taxes	
10.7%	42.8%	346 951.0	10.3%	383 124.1	10.4%	Indirect taxes	
-	-	-	-	-	-	State miscellaneous revenue	
-18.3%	1.4%	11 474.7	15.8%	12 282.5	7.0%	Non-tax revenue (excluding sales of capital assets)	12)
45.2%	-3.0%	-32 431.8	49.0%	-35 997.4	11.0%	Less: SACU payments	
6.6%	0.0%	65.3	5.0%	68.5	5.0%	Sales of capital assets	
-	-	-	-	-	-	Extraordinary receipts	13)

7) Includes miscellaneous customs and excise receipts, ordinary levy (up to 2004/05) and diamond export duties.  
 8) Includes revenue received by SARS which could not be allocated to a specific revenue type.  
 9) Includes sales of goods and services, fines, penalties and forfeits, interest, dividends and rent on land (including mineral and petroleum royalties), sales of capital assets as well as transactions in financial assets and liabilities.  
 10) Payments in terms of Southern African Custom Union (SACU) agreements.  
 11) Payment to SACU partners in respect of a previous error in calculation of the 1999 agreement.  
 12) Excludes sales of capital assets.  
 13) Sales of strategic foreign stocks, proceeds from sales of state assets and certain other receipts are, by law, paid into the National Revenue Fund, but are not regarded as departmental receipts.

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"RA II"

Rebecca Thomson

From: Marc Corcoran <Marc.Corcoran@avis.co.za>  
Sent: 16 April 2012 06:39 PM  
To: Marc Corcoran  
Subject: Fuel levy collection: 2003 - 2011

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### Revenue performance trends for the period 2002/03 to 2007/08

Major tax administration reforms have improved efficiencies in the functioning of the tax system and yielded a broadened tax base. The contribution of taxes within the collection portfolio has changed over the period 2002/03 to 2007/08. The table provides a breakdown of the nominal amounts collected during the period; this in comparison with the total tax revenue which sets out the percentage contribution of the various taxes to total taxes collected.

Table 2.1.6: Breakdown of revenue collected

Year	PII	CIT	STC	VAT	Fuel Levy	Customs	Other	Total Tax Revenue	
R millions									
2002/03	94,924	56,326	6,326	70,150	15,334	9,331	29,819	282,210	1,1
2003/04	99,220	61,712	6,133	80,682	16,652	8,479	29,630	302,508	1,2
2004/05	111,697	71,629	7,487	98,158	19,190	12,888	33,931	354,980	1,4
2005/06	126,416	87,326	12,278	114,352	20,507	18,303	38,152	417,334	1,5
2006/07	141,397	120,112	15,291	134,463	21,845	23,697	38,710	495,515	1,8
2007/08	169,539	141,636	20,585	150,443	23,741	26,470	40,457	572,871	2,0

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Fuel levy refers to the levy paid on petrol and diesel.

Table 2.1.12: Fuel levy 2002/03 to 2007/08

Year	Fuel levy R million	Y/Y change %	% of tax revenue
2002/03	15,834	2.8	5.4
2003/04	16,652	8.6	5.5
2004/05	19,190	15.2	5.4
2005/06	20,507	6.9	4.9
2006/07	21,845	6.5	4.4
<b>2007/08</b>	<b>23,741</b>	<b>8.7</b>	<b>4.1</b>

Fuel levy collections as a percentage of total tax revenue collections decreased steadily over the review period. Its ratio to GDP declined slightly to 1.2% during 2006/07 where it remained for 2007/08. Fuel levy collections are also partially recovered from the Road Accident Fund as well as diesel refunds, which explains the difference with the fuel levy in the statement of financial performance.

Table 11: Breakdown of revenue collected and contribution to tax revenue - 2005/06 to 2010/11

Year	PIT	CIT	STC	VAT	Fuel levy	Customs	Other	Total tax revenue
	R million	R million	R million	R million	R million	R million	R million	R million
2005/06	126 416	87 326	12 278	114 352	20 507	18 303	38 013	417 195
2006/07	141 397	120 112	15 291	134 463	21 845	23 697	38 744	495 509
2007/08	169 539	141 635	20 585	150 443	23 741	26 470	40 401	572 774
2008/09	196 068	167 202	20 018	154 343	24 884	22 751	39 834	625 100
2009/10	206 484	136 978	15 468	147 941	28 833	19 577	43 425	598 709
<b>2010/11</b>	<b>228 096</b>	<b>134 635</b>	<b>17 178</b>	<b>183 571</b>	<b>34 418</b>	<b>26 637</b>	<b>49 647</b>	<b>674 144</b>
	%	%	%	%	%	%	%	%
2005/06	30.3%	20.9%	2.9%	27.4%	4.9%	4.4%	9.1%	100.0%
2006/07	28.5%	24.2%	3.1%	27.1%	4.4%	4.8%	7.8%	100.0%
2007/08	29.6%	24.7%	3.6%	26.3%	4.1%	4.6%	7.1%	100.0%
2008/09	31.4%	26.7%	3.2%	24.7%	4.0%	3.6%	6.4%	100.0%
2009/10	34.5%	22.9%	2.6%	24.7%	4.8%	3.3%	7.3%	100.0%
<b>2010/11</b>	<b>33.8%</b>	<b>20.0%</b>	<b>2.5%</b>	<b>27.2%</b>	<b>5.1%</b>	<b>4.0%</b>	<b>7.4%</b>	<b>100.0%</b>

Note: \* Source: Q1-2011 GDP, Statistics SA.

### 1.1.3 TAX RELIEF AND RATES

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The benefits of tax reforms over the last few years manifested in R56.4 billion in net tax relief granted to the public across various tax products between 2005/06 and 2010/11. Table 12 sets out the tax relief over the period with negative values indicating relief to the taxpayer and positive numbers showing an increase in tax obligation.

**Table 12: Summary effects of tax proposals - 2005/06 to 2010/11**

Year	Direct				Indirect			
	PIT	CIT	Other	Total	Excise	Fuel levy	Other	Total
	R million	R million	R million	R million	R million	R million	R million	R million
2005/06	-7 110	-2 000	-1 477	-10 587	1 310	950	-1 054	1 206
2006/07	-12 125	-2 400	-440	-14 965	1 370	-	-5 532	-4 162
2007/08	-8 870	-2 785	-3 000	-14 655	1 395	950	-90	2 255
2008/09	-7 700	-7 400	-	-15 100	1 350	1 250	* 2 000	4 600
2009/10	-13 550	-1 000	-	-14 550	2 100	4 890	* 2 985	9 975
2010/11	-5 400	-1 350	-	-6 750	2 250	3 600	450	6 300
<b>Total</b>	<b>-54 755</b>	<b>-16 935</b>	<b>-4 917</b>	<b>-76 607</b>	<b>9 775</b>	<b>11 640</b>	<b>-1 241</b>	<b>20 174</b>

*Note: \* The electricity levy was not introduced in 2008/09 but postponed to 2009/10*

Marc Corcoran  
 Manager - Lean Six Sigma  
 AVIS Rent A Car, South Africa  
 Registered Financial Services Provider

Tel: 011 387 8188  
 Fax: 086 536 3895  
 E-mail: [Marc.Corcoran@avis.co.za](mailto:Marc.Corcoran@avis.co.za)

At AVIS People will always be More Important than Cars

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"RAI2"  
2284

## Brent crude prices

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Brent														
Average US\$ price	19.1	12.7	17.9	28.4	24.5	24.7	28.8	38.2	54.4	65.1	72.5	97.0	61.5	97.5
Average rand price/barrel	88.08	69.90	109.37	197.76	208.02	258.60	218.05	246.85	347.52	422.61	511.49	548.53	520.79	715.56

## Consumption of petroleum products in South Africa

Year

Millions of litres

Year	Petrol	Diesel	Paraffin	Jet Fuel	Fuel Oil	LPG
1988	7 995	5 409	641	784	524	406
1989	8 395	5 350	678	835	546	432
1990	8 612	5 273	723	866	576	434
1991	8 906	5 130	725	861	526	464
1992	9 171	4 950	743	1 009	549	465
1993	9 202	4 940	834	1 095	595	454
1994	9 630	5 110	875	1 193	633	485
1995	10 153	5 432	850	1 368	616	472
1996	10 566	5 759	917	1 601	704	450
1997	10 798	5 875	970	1 777	635	502
1998	10 883	5 959	1 052	1 877	574	523
1999	10 861	5 993	1 054	1 995	561	540
2000	10 396	6 254	857	2 020	555	567
2001	10 340	6 488	786	1 924	555	599
2002	10 335	6 831	745	1 967	536	586
2003	10 667	7 263	769	2 099	528	558
2004	10 985	7 679	797	2 076	569	563
2005	11 165	8 115	761	2 180	489	550
2006	11 279	8 708	738	2 260	476	605
2007	11 558	9 755	696	2 402	465	636
2008	11 069	9 762	532	2 376	555	613
2009*	11 311	9 109	544	2 186	593	528

\*2009 sales data is unverified.

2010 volume data not available at the time of publication.

PB

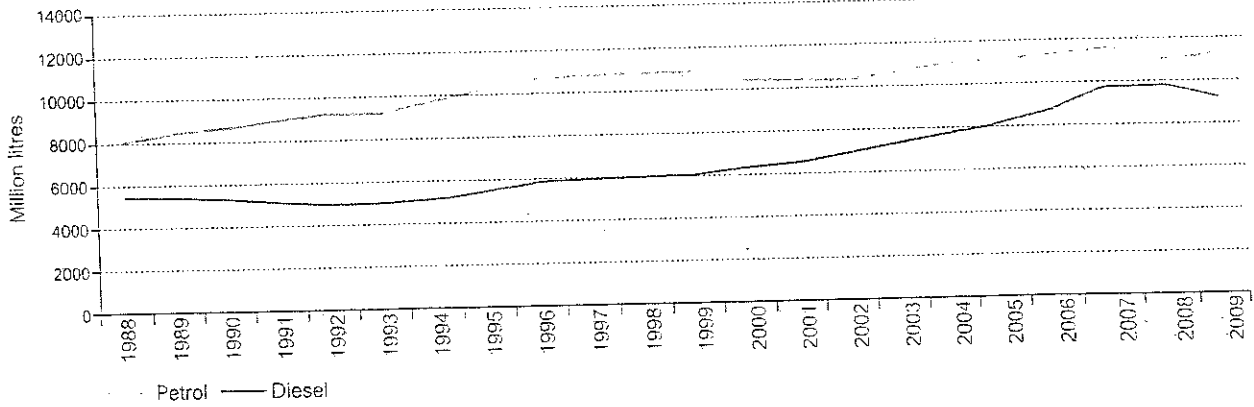


Figure 8 Consumption of petrol and diesel in South Africa

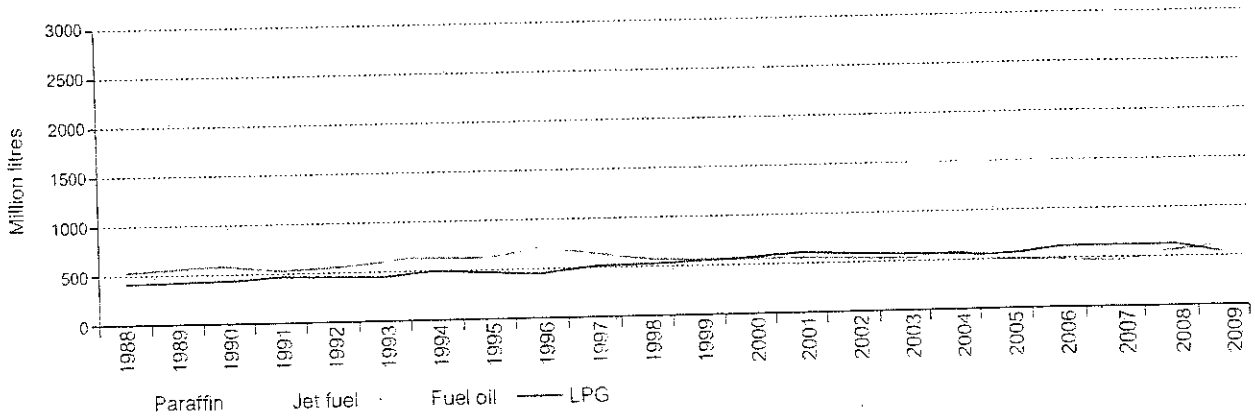


Figure 9 Consumption of petroleum products in South Africa

Petroleum products imports and exports

Year	Imports				Exports			
	Petrol	Diesel	Jet Fuel	LPG	Petrol	Diesel	Jet Fuel	LPG
2010	1 571	2 163	213	2 200	329	618	53	0.83
2009	1 484	1 943	85	1 924	333	717	40	0.14
2008	956	2 108	60	2 152	363	744	83	0.3
2007	1 272	2 343	229	1 745	296	728	64	0.29

Source: South African Revenue Service.

Petrol/diesel consumption ratio



Figure 10 Petrol/diesel consumption ratio






The ratio of demand between diesel and petrol in 2009 was about 9.1 parts diesel to 11.3 parts petrol which gives a ratio of 0.81. The ratio in 2006 was 0.88. Petrol consumption has thus increased more in relation to diesel consumption in 2009 than in 2008. The graph shows that there has been an upward trend in the diesel/petrol ratio from 1995 until 2008. 2010 volume data was not available at the time of publication.

*Handwritten signature*

# Supporting Associations

"RA 13"

2287

LOGO	ABBR	NAME OF ORGANISATION	WEBSITE
	AA	The Automobile Association of South Africa	<a href="http://www.aa.co.za">www.aa.co.za</a>
	SABDA	Southern African Book Dealers Association	<a href="http://www.sabda.co.za">www.sabda.co.za</a>
	NPC	Justice Project South Africa	<a href="http://www.jp-sa.org">www.jp-sa.org</a>
	FEDHASA	Federation of Hospitality Association	<a href="http://www.fedhasa.co.za">www.fedhasa.co.za</a>
	INTEROHM	INTEROHM (PTY) LTD	<a href="http://www.interohm.co.za">www.interohm.co.za</a>

*[Handwritten signature]*



"RA 14"

IN THE NORTH GAUTENG HIGH COURT, PRETORIA  
(REPUBLIC OF SOUTH AFRICA)

2288

Case No: 17141/12

In the matter between:

OPPOSITION TO URBAN TOLLING ALLIANCE	First Applicant
SOUTH AFRICAN VEHICLE RENTING AND LEASING ASSOCIATION	Second Applicant
QUADPARA ASSOCIATION OF SOUTH AFRICA	Third Applicant
SOUTH AFRICAN NATIONAL CONSUMER UNION	Fourth Applicant

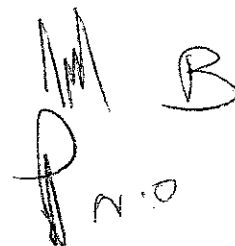
and

THE SOUTH AFRICAN NATIONAL ROADS AGENCY LTD	First Respondent
THE MINISTER, DEPARTMENT OF TRANSPORT REPUBLIC OF SOUTH AFRICA	Second Respondent
THE MEC, DEPARTMENT OF ROADS AND TRANSPORT, GAUTENG	Third Respondent
THE MINISTER, DEPARTMENT OF WATER AND ENVIRONMENTAL AFFAIRS	Fourth Respondent
DIRECTOR-GENERAL, DEPARTMENT OF WATER AND ENVIRONMENTAL AFFAIRS	Fifth Respondent
NATIONAL CONSUMER COMMISSION	Sixth Respondent

---

CONFIRMATORY AFFIDAVIT

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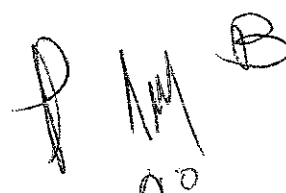
 M B  
P n.o

I, the undersigned,

**LESLIE MATTHEWS**


do hereby make oath and state that:

1. I am a major male and a divisional director of Imperial Group Car Rental and Tourism division, a division of Imperial Group (Pty) Ltd, with principal place of business at 47-48 Tulbagh Road, Pomona, Kempton Park.
2. The facts contained herein are both true and correct.
3. Tempest Car Hire ("Tempest"), Europcar Chauffer Services, Europcar Van Rental, and Europcar (collectively "Europcar") are all divisions of Imperial Group (Pty) Ltd.
4. I am duly authorised to depose to this affidavit on Tempest and Europcar's behalf.
5. Tempest and Europcar are members of the South African Vehicle Renting and Leasing Association ("SAVRALA"), the Second Applicant in the above matter.
6. I have read paragraph 217.1 to 217.9 of the Answering Affidavit of SANRAL deposed to by Nazir Alli.
7. I confirm that both Tempest and Europcar signed the agreements at NA18 to NA21 of the Answering Affidavit. It is, however, necessary, that the balance of Alli's averments

Handwritten signatures and initials, including a large 'B' in a circle and the letters 'NO' below them.

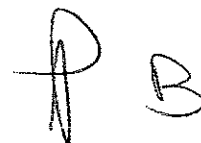
concerning Tempest and Europcar are qualified in accordance with what I state below.

8. Tempest and Europcar signed such agreements and has sought, like other SAVRALA members, to co-operate with SANRAL on a technical level strictly with a view to it being ready for the implementation of e-tolling in the event that e-tolling be found to be lawful.
9. Tempest and Europcar has fitted e-tags to limited portions of their respective fleets for test purposes only.
10. This is a contingent course of action that Tempest and Europcar regard as prudent to follow.
11. Tempest and Europcar also oppose the planned implementation of e-tolling and fully supports the steps taken by SAVRALA to interdict and set aside e-tolling.
12. Tempest and Europcar will be prejudiced by the implementation of e-tolling which will result in massive logistical inconvenience and consumption of Tempest and Europcar's financial and human resources.



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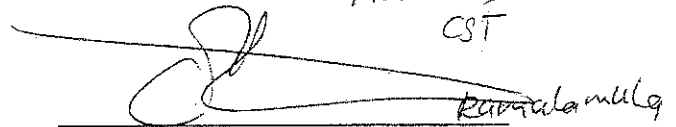
DEPONENT



I hereby certify that the deponent has acknowledged that he:


- (a) knows and understands the contents of this affidavit;
- (b) has no objection to taking the oath;
- (c) considers the oath to be binding on his conscience.

THUS signed and sworn to before me, at Sandton on 21.04, 2012,  
the Regulations contained in Government Notice No. R1258 of 21 July 1972 (as amended),  
having been fully complied with.

  
717951-3  
CST  
Kavala mltg

COMMISSIONER OF OATHS

B



period is ultimately concluded to be affordable, the development of these routes should be given priority

- From a toll financing point of view, the nett revenue of a toll project should be dedicated to paying the interest on the project loans during the first 4-7 years of operation. After this period, it is likely to become possible to support additional loans. Consequently, in the medium to longer term it may prove possible to entertain the development of further projects. Should this prove to be the case, future priorities based on present day evaluations would appear to be:
  - PWV 9 North (R80 to N14) or, alternatively, the Pretoria City Link
  - N17 Total (albeit that because of its high cost there may well be the need to develop this project in stages)
  - K54
  - PWV 5 West

## 7. TOLL STRATEGY

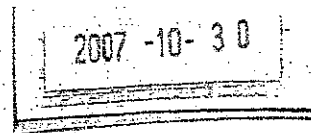
### 7.1 Introduction

Whilst there are a few exceptions, South Africa's national tolled network is for the most part rural in nature and displays the characteristics where the dominant movements along the network are of a "through" long distance nature, access/egress movements at interchanges being relatively low. Consequently one tends to find that tolling the users of these facilities in an equitable manner, can normally be accomplished by way of developing an open toll system, this system incorporating a relatively low number of tolling points. With respect to the project network, it is however obvious that this network is urban/commuter in nature and typified by interchange on- and off-ramp volumes which are very high. This characteristic reflects that the network accommodates a vast array of trip origin/destination patterns and in turn points to the fact that whilst one would undoubtedly wish to develop a more cost effective open toll system, this system will probably have to be far more comprehensive if the required degree of equitability is to be obtained

During the toll strategy development phase, various general toll system concepts were evaluated and tested. The main systems which should be taken note of, since it is often referred to in this report, are "Closed" "Open" and "Directional" systems. These systems are described below, and shown graphically in Figure 7-1

A *closed system* does not allow any trip to take place on the network without paying toll. The toll charge positions can be located either on all the links between interchanges or on each on- and off-ramp. Since the distance travelled by each vehicle on the tolled network is captured, the fare is usually based on the distance travelled. This system is thus very equitable since each road user pays only for the section of road used. The capital and

19 October 2007



"RAIG"

THE SOUTH AFRICAN NATIONAL ROADS AGENCY LIMITED

2293

PETITION AGAINST PROPOSED GAUTENG TOLLGATE PLAN

We strongly object to the Gauteng Tollgate plan, for the following reasons:

1. This company is based in Woodmead Sandton and has employees that reside all over Gauteng including far East and West Rand and from as far South as Vereeniging.
2. The Toll is supposedly to encourage motorists to use public transport, **what public transport?** Once the Gauteng train is running unless a person resides/works within reasonable proximity to one of the stations, using the train would not be practical as people would have a considerable time consuming drive, often in completely the wrong direction before actually commencing their journey to place of work/home.
3. The rail system is very limited, unreliable and unsafe, bus services in most areas are virtually non-existent.
4. Why must the public now pay for the backlog in road infrastructure which is due to lack of forward planning and expenditure by government and local municipalities over the last decade?
5. Revenue collection has improved considerably over this period, fees for car licenses have nearly quadrupled not to mention the taxes that are levied on every litre of fuel, why has some of this money not been used for road improvements?
6. If the rail service was improved with regard to the transport of goods, and incentives given for companies to move supplies by rail, this would remove a considerable number of heavy trucks from the road system. The result in lower traffic volumes, improved traffic flow, reduction of wear and tear on the road system and lower maintenance costs would benefit not only road users but the road agencies.

Attached signed petition.

B P

PETITION

Date	Name	Cell/Home Tel No.	Suburb	Signature
19/10/07	J. ENGELBRECHT	082870 7788	KRUGERSDORP	<i>J. Engelbrecht</i>
19.10.07	M. Williams	079 517 9290	MIDRAND	<i>M. Williams</i>
19/10/07	B. J. Jacobs	0846262475	Centurion	<i>B. J. Jacobs</i>
19.10.07	M. MASS-DAMARELL	082-498-367	Klipfontein	<i>M. Mass-Damarell</i>
19.10.07	I. Hlatshwayo	0769014333	VOSLOORUS	<i>I. Hlatshwayo</i>
19.10.07	T JACKSON	0824984038	KRUGERSDORP	<i>T Jackson</i>
19-10-07	R. V. Breda	083-379 2626	Fermisburg	<i>R. V. Breda</i>
19-10-07	D. LAVIS	083 5166872	JHB	<i>D. Lavis</i>
19.10.07	L. Bates	0832382689	Centurion	<i>L. Bates</i>
19-10-07	L. Pain	0828966655	Kempton Park	<i>L. Pain</i>
19-10-07	D. BARBON	083 303 2091	MIDRAND	<i>D. Barbon</i>
22.10.2007	C. Xabadi	0727725716	Kaalfontein	<i>C. Xabadi</i>
22.10.2007	G. Deyleert	079 9906507	MEYERTON	<i>G. Deyleert</i>
22/10/07	K. Hoop	0833286732	Little Falls	<i>K. Hoop</i>
22/10/07	Jose MAGAÑA	0834405744	OAKDENE	<i>Jose Magaña</i>
22/10/07	E. KINNEAR	0836678677	LENASIA	<i>E. Kinneer</i>
22/10/07	JM Holst	0722797319	Strubensvlei	<i>JM Holst</i>
22/10/07	F. WEL	0832539371	CENTURION	<i>F. Wel</i>
22-10-07	R. WILSON	0834101116	EDENBURG	<i>R. Wilson</i>
23-10-07	E. POSTHUMUS	236-6300	BEKSBURG	<i>E. Posthumus</i>
23-10-07	H. STIEHLER	" "	PJA	<i>H. Stiehl</i>
23-10-07	D. Taylor	" "	BENONI	<i>D. Taylor</i>

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## PETITION

Date	Name	Cell/Home Tel No.	Suburb	Signature
23.10.07	Joel	0112366398	KENILWORTH	[Signature]
23.10.07	N. Merve	0112366353	BOKSBURG	[Signature]
23.10.07	G. Soudis	0112366332	NORTHCLIFF	[Signature]
23.10.07	R. van der Merwe	0836217519	Centurion	[Signature]
23.10.07	A. Nel	0836217519	Centurion	[Signature]
23.10.07	J. THYSSE	0836544840	VAALPARK	[Signature]
23.10.07	M. VAN ANTWERP	073 9340760	MEYERTON	[Signature]
23/10/07	W. L. Roux	0828576284	BOSKRUIJN	[Signature]
23/10/07	PJ Dippener	082 426 7528	Vanderbijpark	[Signature]
23/10/07	BONGANI XABA	089 921 8314	SOWETO	[Signature]
25/10/07	A. KUSEKA	065914559	Fairview	[Signature]
26/10/07	I.F. BLAUW	0832801193	ALBERTON	[Signature]
26/10/07	NJ. ERASMUS	0833783013	VEREENIGING	[Signature]
26/10/07	R. Kellei	083 3762789	Centurion	[Signature]
26/10/07	Eiki Armsbrong	0112366329	melville	[Signature]
"	J. CZEMIN	0884576613	Paulshoff	[Signature]
26/10/07	D. Pather	082 2107453	Boskruin	[Signature]
26/10/07	K. Xaba	079 434 5731	VEREENIGING	[Signature]
26/10/07	B. Obete	0828862605	Vereniging	[Signature]
26/10/07	C. Makoko	0832571080	Woodmead	[Signature]
26/10/07	C. Ntsh	0736651102	SPRUITVLEI	[Signature]
26/10/07	J. TSHABALALU	0112366350	SOWETO	[Signature]

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PETITION

Date	Name	Cell/Home Tel No.	Suburb	Signature
26.10.07	J.H. Hennrichsen	082 336 5094	LINDEN	
26.10.07	H. SPREITZER	083 380 5546	SANDTON	
"	R. Carnelissen	/	Storobopark	
26/10/07	U.R. Weiler	011 726 2651	Auckland Park	
26/10/07	P. Fourie	011-236 6337	Windsor	
26/10/07	S.D. DOWDAS	011 236 6400	Honeydew	
26/10/07	J.V. RUGER	011 236 6417	Nigel	
26/10/07	E. Godson	011 236 6400	Potterville	
26/10/07	S. Legodi	011 236 6395	Woodmead	
26/10/09	Tavel	011-236 6300	Woodmead	

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All the respondents received a letter confirming the receipt of response. Please refer to Appendix 3.9 on page 30 for an example of such a letter

The issues and concerns raised were summarised in the separate document titled "Draft Integrated Issues Register). Responses to the various representations are also provided in the Draft Integrate Issues Register

### Government Departments (Including local government)

Please note that Government Departments (Including local government) had until 14 December 2007 to forward their comments.

From the authorities the following responses have been received:

- ❖ Mr Z. Mayaba - Acting Executive Director: Transportation - City of Johannesburg.
- ❖ Mr P. Janse van Rensburg – Executive Director: Roads, Transport and Civil Works – Ekurhuleni Metropolitan Municipality.
- ❖ Mr M Mokoena- Gauteng-Provincial Government – Office of the Premier
- ❖ Mr I Jacobs- Gauteng Provincial Government – MEC
- ❖ Mr S Buthelezi- Gauteng Provincial government - HOD

### **2.2.6 DRAFTING RESPONSE LETTERS**

SANRAL provided Afrosearch with a number of proforma responses to various issues and comments. Afrosearch used these as the basis for drafting issue specific responses to the various stakeholders.

These responses were sent to SANRAL for verification. The final response letters were faxed and posted by registered post to the recipients.

All the respondents received a fax and a registered letter providing a response to the particular questions and issues raised by them. Please refer to Appendix 3.10 on page 31 for the proof of registered postage responses to the general public and Appendix 3.11 on page 34 for the registered post responses to the authorities. Appendix 3.5 on page 24 indicates the fax delivery confirmation sheet.

Please refer to the separate document titled Stakeholder Responses for copies of all the submissions received.

### **2.3 I&AP REGISTER**

Please refer to Appendix 3.12 on page 35 for a copy of the I&AP register. This register indicate the I&APs that responded, dates of receipt of their comments, when confirmations were sent out, etc.

"RA 18"

2298

## Proposed toll fees for Gauteng cut

The proposed tariffs will now be presented to Transport Minister Sibusiso Ndebele, Finance Minister Pravin Gordhan and the Gauteng province

NICKY SMITH

Published: 2011/07/01 07:02:38 AM



Photo: Sunday Times

TOLL fee recommendations for Gauteng's roads have been cut from the proposed 66c/km to 58c/km for light vehicles, a move made possible through transferring the costs of enforcement on the system to the government, George Mahlalela, the chairman of the review committee and director-general of the Department of Transport, said yesterday

Tariffs had fallen 8c for light vehicles that operate on the freeways without an electronic tolling tag, or e-tag, said Mr Mahlalela at a media briefing. The South African National Roads Agency (Sanral) would also extend the period over which it will pay the R20bn it borrowed for the proposed system, he said.

The Gauteng Freeway Improvement Programme had been due to start collecting tolls in April. However, this was postponed to June 23 to allow for consultation with business and labour after the proposed tariff levels caused a public outcry.

The revised proposed tariffs for light vehicles using e-tags have been cut to 40c/km from a previous level of 49,5c/km. For medium class vehicles (Class B) the fee was cut to R1/km from R1,49/km and for large vehicles (Class C), the tariff falls from R2,97/km to R2/km.

Commuter taxi rates would now pay 11c/km from 16c/km.

The proposed reductions were welcomed by stakeholders at a meeting yesterday but most argued that the cuts did not go deep enough. Among those represented at the meeting were road hauliers, commuter organisations, car rental firms, insurers and political groups.

The proposed tariffs will now be presented to Transport Minister Sibusiso Ndebele, Finance Minister Pravin Gordhan and the Gauteng province. The Road Freight Association represented at the meeting by Mike Schussler argued for tolling to be scrapped on urban road networks, advocating for the state to collect the money it needs to build and maintain roads through an increase in the fuel levy.

But Marissa Moore, the director of transport at National Treasury, said it was not the government's policy to ring-fence taxes as this has historically created inefficiencies in spending. A specific road tax used to fund road building and maintenance was abolished in 1987, she said.

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IN THE NORTH GAUTENG HIGH COURT, PRETORIA  
(REPUBLIC OF SOUTH AFRICA)

Case No: 17141/12

In the matter between:

OPPOSITION TO URBAN TOLLING ALLIANCE	First Applicant
SOUTH AFRICAN VEHICLE RENTING AND LEASING ASSOCIATION	Second Applicant
QUADPARA ASSOCIATION OF SOUTH AFRICA	Third Applicant
SOUTH AFRICAN NATIONAL CONSUMER UNION	Fourth Applicant

and

THE SOUTH AFRICAN NATIONAL ROADS AGENCY LTD	First Respondent
THE MINISTER, DEPARTMENT OF TRANSPORT REPUBLIC OF SOUTH AFRICA	Second Respondent
THE MEC, DEPARTMENT OF ROADS AND TRANSPORT, GAUTENG	Third Respondent
THE MINISTER, DEPARTMENT OF WATER AND ENVIRONMENTAL AFFAIRS	Fourth Respondent
DIRECTOR-GENERAL, DEPARTMENT OF WATER AND ENVIRONMENTAL AFFAIRS	Fifth Respondent
NATIONAL CONSUMER COMMISSION	Sixth Respondent

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CONFIRMATORY AFFIDAVIT

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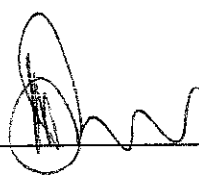
2300

I, the undersigned,

**WAYNE LLEWELLYN DUVENAGE**

do hereby make oath and state that:

1. I am a major male and the Chief Executive Officer of AVIS Rent a Car, South Africa ("AVIS"). Avis is a member of the Second Applicant in this matter.
2. The facts contained herein are, unless otherwise stated or the contrary appears from the context, within my own knowledge and are, to the best of my knowledge and belief, both true and correct.
3. I have read the replying affidavit deposed to by Leopold Jean Joseph Pauwen in respect of this matter and confirm the truth and correctness thereof insofar as it relates to me.



---

**DEPONENT**

I hereby certify that the deponent has acknowledged that he/ she:



- (a) knows and understands the contents of this affidavit;
- (b) has no objection to taking the oath;
- (c) considers the oath to be binding on his conscience.

THUS signed and sworn to before me, at \_\_\_\_\_ on \_\_\_\_\_ 2012,  
 the Regulations contained in Government Notice No. R1258 of 21 July 1972 (as amended),  
 having been fully complied with.

*[Handwritten signature: Slest]*  
 1874135

COMMISSIONER OF OATHS

TE AT Sandton 2012-04-21 15:01

*[Handwritten signature: Slest]*  
 1874135

**BERNARD MATHEBULA**  
FULL FIRST NAME AND SURNAME: BLOCK LETTERS

No 2 Summit Road  
BUSINESS ADDRESS (OR HOME ADDRESS)

Morningside

RANG/RANK *Slest* SA POLISIEDIENS  
 SA POLICE SERVICE

<b>SOUTH AFRICAN POLICE SERVICES</b>
CLIENT SERVICES CENTRE SANDTON
2012 -04- 21
KLIENTE DIENSSENTRUM SANDTON
<b>SUID AFRIKAANSE POLISIEDIENS</b>

*[Handwritten mark]*

## IN THE NORTH GAUTENG HIGH COURT, PRETORIA

(REPUBLIC OF SOUTH AFRICA)

Case No: 17141/12

In the matter between:

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SOUTH AFRICAN NATIONAL CONSUMER UNION	Fourth Applicant

and

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THE MINISTER, DEPARTMENT OF TRANSPORT REPUBLIC OF SOUTH AFRICA	Second Respondent
THE MEC, DEPARTMENT OF ROADS AND TRANSPORT, GAUTENG	Third Respondent
THE MINISTER, DEPARTMENT OF WATER AND ENVIRONMENTAL AFFAIRS	Fourth Respondent
DIRECTOR-GENERAL, DEPARTMENT OF WATER AND ENVIRONMENTAL AFFAIRS	Fifth Respondent
NATIONAL CONSUMER COMMISSION	Sixth Respondent

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CONFIRMATORY AFFIDAVIT

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I, the undersigned,

**LESLIE MATTHEWS**

do hereby make oath and state that:

1. I am a major male and the Chief Executive Officer of Tempest Care Hire, a division of Imperial Group (Pty) Ltd ("Tempest"), with principal place of business at 47-48 Tulbagh Road, Pomona, Kempton Park.
2. Tempest is a member of the South African Vehicle Renting and Leasing Association ("SAVRALA"), the Second Applicant in the above matter.
3. The facts contained herein are both true and correct.
4. I have read paragraph 217.1 to 217.9 of the Answering Affidavit of SANRAL deposed to by Nazir Alli.
5. I confirm that Tempest did sign the agreement at NA21 to the Answering Affidavit.
6. Tempest signed such agreement and has sought, like other SAVRALA members, to co-operate with SANRAL on a technical level strictly with a view to it being ready for the implementation of tolling should e-tolling be found to be lawful. Tempest has fitted e-tags to a limited portion of its fleet for test purposes only.

B  
A



7. This is a contingent course of action that Tempest regarded as prudent to follow.
8. Tempest regards the planned implementation of e-tolling as unlawful and fully supports the steps taken by SAVRALA to interdict and set aside e-tolling.
9. Tempest will be prejudiced by the implementation of e-tolling which will result in massive logistical inconvenience and consumption of Tempest's financial and human resources.

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DEPONENT

I hereby certify that the deponent has acknowledged that he:

- (a) knows and understands the contents of this affidavit;
- (b) has no objection to taking the oath;
- (c) considers the oath to be binding on his conscience.

THUS signed and sworn to before me, at \_\_\_\_\_ on \_\_\_\_\_ 2012,  
the Regulations contained in Government Notice No. R1258 of 21 July 1972 (as amended),  
having been fully complied with.



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COMMISSIONER OF OATHS