



# Government Gazette

**REPUBLIC OF SOUTH AFRICA**

**Vol. 452   Pretoria   26   February   2003   No. 24962**



**AIDS HELPLINE: 0800-0123-22 Prevention is the cure**

---

## GOVERNMENT NOTICE

---

### DEPARTMENT OF TRANSPORT

No. 301

26 February 2003

#### NATIONAL LAND TRANSPORT TRANSITION ACT, 2000 (ACT NO. 22 OF 2000)

#### OPERATING LICENCE STRATEGY: MINIMUM REQUIREMENTS IN TERMS OF THE NATIONAL LAND TRANSPORT TRANSITION ACT, 2000

In terms of section 24(3) of the National Land Transport Transition Act, 2000 (Act No. 22 of 2000), I, Abdulah Mohamed Omar, Minister of Transport, in consultation with the relevant MECs, have made the requirements contained in the Schedule.

**Abdulah Mohamed Omar**  
**MINISTER OF TRANSPORT**

## **SCHEDULE**

### **MINIMUM REQUIREMENTS FOR PREPARATION OF OPERATING LICENCES STRATEGIES**

#### **Arrangement of Requirements**

1. Definitions
2. Purpose of requirements
3. Principles for preparing operating licences strategies
4. Date for completion
5. Process for completion and approval by MEC
6. Process for submission to Minister
7. Minimum contents of operating licences strategies

## 1. Definitions

In these requirements, unless the context indicates otherwise, any word or expression to which a meaning has been assigned in the Act has that meaning, and—

"Act" means the National Land Transport Transition Act, 2000 (Act No. 22 of 2000) as amended by the National Land Transport Transition Amendment Act, 2001 (Act No. 31 of 2001);

"facilities" means ranks, terminals, stations, holding areas, informal taxi ranks and holding areas and major boarding points in rural areas, for road and rail based public transport;

"CPTR" means a current public transport record;

"OLS" means an operating licence strategy;

"PLTF" means a provincial land transport framework;

"route" means the roads or railway lines that are traversed by a vehicle or train from point of origin to point of final destination or, in the case of road-based transport, where no roads are clearly demarcated, the route followed by the particular vehicle as described with reference to landmarks or beacons;

"services" means public transport services;

## Purpose of Requirements

2. (1) The OLS prepared by planning authorities must comply with these minimum requirements.
- (2) In interpreting these requirements municipalities should refer to the OLS guideline, which is available from the National Department of Transport.
- (3) Where there is a conflict between these requirements and the guideline, these requirements prevail.

### **District and Local Municipalities**

3. (1) Each district municipality that is a planning authority is responsible to prepare a OLS for its entire area, but this will not prevent an agreement that the relevant local municipalities will assist with such preparation, provided that the agreement is permissible in terms of applicable local government legislation.
- (2) OLSs must not be prepared at both district and local level as this will lead to duplication. Thus only one OLS is required for any particular geographical area.
- (3) Where the OLS for part of the area of a district municipality is prepared by a local municipality in terms of an agreement contemplated in (1), it is still the responsibility of the district municipality to ensure that the entire area is covered and to submit the total OLS to the MEC in terms of section 24(4) of the Act, and to the Minister in terms of section 28 of the Act.

### **Principles for preparing operating licences strategies**

4. (1) In addition to the principles stated in the Act, the following principles apply to the preparation of OLSs—
  - (a) plans must pay due attention to the development of rural areas; and
  - (b) transport for special categories of passengers must receive specific attention.
- (2) The OLS must be synchronised with other planning initiatives and it must indicate how it is integrated into municipal integrated development plans, the land development objective processes and the municipal budgeting process.
- (3) The OLS must provide guidance to the operating licencing board

in disposing of applications for operating licences with particular reference to the matters referred to in Section 24(2) of the Act as follows:

- (a) the role of each public transport mode and identification of the preferred road-based mode or modes with regard to its area, including transport into or from the areas of other planning authorities, and inter-provincial transport;
- (b) the circumstances in which operating licences or permits authorising the operation of public transport within any part of its area, should be allowed;
- (c) the use of public transport facilities within its area;
- (d) the avoidance of wasteful competition between transport operators;
- (e) the conclusion of commercial service contracts for unsubsidised public transport services; and
- (f) the conditions which should be imposed by the board in respect of operating licences.

(4) The preparation of the OLS must include the consultation and participation of interested and affected parties required for the preparation of Integrated Development Plans in terms of chapter 4 and section 29(1)(b) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).

#### **Date for submission of plan**

5. (1) The OLS must be prepared two months of completion of the planning authority's current public transport record, or by a date determined by the MEC in terms of section 24(5) of the Act.
- (2) Operating Licence Strategies must be updated on a continuous basis and consolidated at least once a year, within two months of completing the CPTRs or by a date determined by the MEC in terms of Section 24(5) of the Act.

**Process for preparation and approval by MEC**

6. (1) After the date of publication of these requirements, but not later than the date mentioned in regulation 5(1), every planning authority must complete its OLS, consisting of at least the matters set out in requirement 7.
- (2) On completion of the OLS, the planning authority which prepared it must submit it to the MEC in terms of section 24(4) of the Act and, if it has rail commuter components, also to the Minister under section 28 thereof.
- (3) If the Minister is of the opinion that the OLS does not deal adequately with the situation relating to commuter rail, or that it has not been prepared correctly or completely according to the Act or these Requirements, he or she may request the planning authority to adjust the plan, and the planning authority must comply with such a request within 30 days.

**Minimum contents of operating licence strategies**

7. The OLS must contain at least the minimum information as set out below.

**Chapter 1: Introduction**

This chapter must contain a clear description of the area and nature of services under consideration as well as the authority responsible for the preparation of the OLS. The period and dates for the particular OLS must also be indicated.

**Chapter 2: Analysis of the Public Transport System**

A description and analysis of the results of the CPTR for the particular area must be contained in this section, and the base map of the area showing routes and facilities as contained in the CPTR must be

included and referred to.

The following should be identified and analysed as a minimum:

- The location and use of major transport corridors and major facilities;
- the occurrence of public transport services operating in parallel to each other and competing for the same market; and
- any significant regulatory issues and impediments.

### **Chapter 3: Policy Framework**

A description must be included of relevant policies and principles guiding the disposal of operating licences, including but not limited to roles of modes and preferred modes, parallel-subsidised services and commercial service contracts.

### **Chapter 4: Restructuring, interventions, conditions and evaluation**

This chapter should consist of the following parts, each dealing with the restructuring of the system from a different perspective:

- A broad perspective of the future development of the public transport system in practical terms, including role of the modes and the preferred modes in particular corridors or along specific routes.
- The rationalisation and restructuring of subsidised services.
- The restructuring of unsubsidised services including commercial service contracts.

Any planned intervention by the authorities in the event of an over-supply of services must be described, including estimates of the cost implications of any such actions.

The basis for the payment of compensation where permits or operating licences are to be withdrawn should be given and any proposed



withdrawals of operating licences must be dealt with in terms of section 51 of the Act.

This section should also identify, list and describe any conditions that should be attached to the future issuance of operating licences for any route or combination thereof.

Proposals must be made for each identified public transport route, based on the evaluation and indicating whether:

- additional services can be supported on that particular route, or
- there is already an over-supply of services on the route which may/may not require intervention by the authorities.

#### **Chapter 5: Law enforcement**

Law enforcement strategies must be described including institutional arrangements, the interrelationship with traffic law enforcement and the setting of targets and measuring performance.

#### **Chapter 6: Stakeholder consultation**

The extent of, and the results of participation with the operating licencing board, adjacent municipalities, operators, commuters and the general public must be described. Proposals with respect to inter-planning authority and interprovincial commuting and long-distance services and facilities must be included.

In particular, a description must be included of the process followed in communications between the Board and the Planning Authority, as well as a description of the standard documentation used for this communication.

---

**Chapter 7: Prioritised proposals and implementation programme**

The prioritised proposals and implementation programme resulting from the above analyses and consultation must be documented as input to the operating licencing board

**Chapter 8: Financial implications**

The financial implications of the prioritised proposals and implementation programme referred to in chapter 7 must be documented, including a detailed budget and funding sources.