

## DEPARTMENT OF TRANSPORT

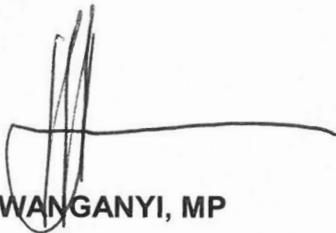
NO. 446

19 MAY 2017

**NATIONAL RAILWAY SAFETY REGULATOR ACT, 2002 (ACT NO.16 OF 2002)****DETERMINATION OF PERMIT FEES UNDER SECTION 23(2) (a) OF THE  
NATIONAL RAILWAY SAFETY REGULATOR ACT, 2002**

I, Joe Maswanganyi, Minister of Transport, in terms of section 23(2)(a) of the National Railway Safety Regulator Act, 2002 (Act No. 16 of 2002) as amended, hereby determine as indicated in the Schedule, fees that the Railway Safety Regulator must charge for safety permits, with effect from 1 April 2017 to 31 March 2018.

The Safety Permit Fees are published for compliance and general information.



**JOE MASWANGANYI, MP**

**MINISTER OF TRANSPORT**

**DATE:** 05 May 2017

## SCHEDULE

### PERMIT FEES PAYABLE TO THE RAILWAY SAFETY REGULATOR

#### DEFINITIONS

1. **For the purpose of calculating fees:**

**“annual passengers”** means the total number of passengers transported aboard railway operator’s passenger and/or commuter rolling stock between two points (i.e. a station of boarding and of disembarkation) with the exception of a train operator’s personnel, over the period of an operator’s most recently completed financial year;

**“annual tons”** The total sum of the mass of dangerous and/or general goods loaded onto a locomotive by a train operator in the preceding financial year, and transported along the portion of a rail network for which the train operator has a permit to traverse;

**“cape gauge”** A type of railway track where the distance between the two rails of the track is 1,067 millimetres in length;

**“general freight or passenger operators”** means network, train or station operators (or a combination thereof) whose operations include the transportation of passengers and freight that excludes dangerous and/or mining goods;

**“mine operations”** means the operations undertaken above surface by train, network, and station operators to support mining activities;

**“non-rail related revenue”** means revenue generated by Train Operators, Network Operators or Station Operators whose railway operation is incidental to its main business;

**“passengers”** means people transported by a train between two points (i.e. a station of boarding and of disembarkation) with the exception of a train operator’s personnel;

**“rail-related revenue”** means the gross inflow of cash arising from all rail operating activities of an operator;

**“relevant risk based fee rate”** means the rand value equivalent of the risks attributable to rail activities. The units of measurement include R/Kilometres (for network

operations), R/number of stations (for station operator), R/passenger kilometres (for passenger operations), and R/ton kilometre (for freight operations);

“**standard gauge**” railway track where the distance between the two rails of the railway track is 1,435 millimetres in length; and

“**tourist passengers**” means passengers transported aboard railway operator's rolling stock between two points (i.e. a station of boarding and of disembarkation) for recreational purposes, with the exception of a train operator's personnel and commuter passengers.

### **APPLICATION FEES**

2. A non-refundable application fee must accompany an application for a safety permit. The fees specified in the categories OPERATOR CATEGORY AND AMOUNT column of the Schedule shall be payable in respect of the corresponding APPLICATION FEES FOR GENERAL SAFETY PERMIT that is applied for as specified in the first column of the Schedule indicated as follows:

APPLICATION FEES FOR GENERAL SAFETY PERMIT	OPERATOR CATEGORY AND AMOUNT (RANDS)		
	Transportation of Mining Goods	Transportation of Dangerous Goods	Transportation of passengers or General Freight
<b>Group A:</b> Train, Network and Station operators Application Fee	R50 374.50	R50 374.50	R50 374.50
<b>Group B:</b> Train, Network and Station Operators Application Fee	R16 507.50	R16 507.50	R2 982.00
<b>Group C:</b> Train, Network and Station Operators Application Fee	R6 922.50	R6 992.50	R2 982.00

**OTHER SAFETY PERMIT FEES FOR RAILWAY OPERATIONS**

3. The fees specified in the categories OPERATOR CATEGORY AND AMOUNT column of the Schedule shall be payable in respect of the corresponding APPLICATION FEES FOR OTHER SAFETY PERMIT being applied for specified in the first column of the Schedule indicated as follows:

APPLICATION FEES FOR OTHER SAFETY PERMIT	OPERATORS CATEGORY AND AMOUNT		
	GROUP A	GROUP B	GROUP C
Temporary Safety Permit	R114 487.50	R91 590.00	R12 594.00
Construction Train Safety Permit	R572 437.50	R74 417.00	R3 435.00
Test and Commissioning Safety Permit	R1 144 875.00	R114 487.50	R45 795.00

**PERMIT FEE RATES FOR NON RAIL-RELATED REVENUE GENERATING TRAIN OPERATORS, NETWORK OPERATORS AND STATION OPERATORS**

- 4.1 The fees payable shall be calculated by multiplying the unit specified in Column 3 with the relevant risk based fee rate specified in Column 4 in respect of the corresponding activities specified in Column 2 of the Schedule, except where a flat rate has been indicated.

COLUMN 1 Operator Category	COLUMN 2 Rail Activities	COLUMN 3 Unit	COLUMN 4 Relevant Risk Based Fee Rate		
			Mine Operations	Dangerous Goods Operations	Transportation of Passenger Operations
(a) Train	Running Lines for Tourist / Passengers	Total annual passenger number x Total length of running line (Km)	N/A	N/A	N/A
	Private Siding Lines for General Freight/ Dangerous Goods	Annual Tons x Total length of siding (Km)	Flat Rate: R60 000.00	Flat Rate: R400 000.00	Flat Rate: R8 774.15
	Private Siding Lines for Tourist / Passengers	Total annual passenger number x Total length of siding (Km)	N/A	N/A	Flat Rate: R8 774.15
(b) Network	Running Lines for Cape Gauge	Total length of Cape Gauge running line (Km)	N/A	N/A	N/A
	Siding Lines for Cape Gauge	Total length of Cape Gauge siding (Km)	32.033452	11 846.03	2965.278
(c) Station	On and off boarding sites/ zones for passengers	Number of stations	N/A	N/A	Flat Rate: R97 556.25

**PERMIT FEE RATES FOR RAIL-RELATED REVENUE GENERATING TRAIN OPERATORS, NETWORK OPERATORS AND STATION OPERATORS**

4.2 The Operators have been grouped as follows:

(a) **Group A: Train Operators, Network Operators and Station Operators**

Railway Operators who transport 500 000 tons or more of general goods, 50 000 tons or more of dangerous goods, or passengers are liable to pay railway safety permit fees determined in accordance with the formula below.

(b) **Group B: Train Operators, Network Operators and Station Operators**

Railway Operators who transport between 200 000 tons and 500 000 tons of general goods, less than 50 000 tons of dangerous goods or tourists are liable to pay railway safety permit fees determined in accordance with the formula below.

(c) **Group C: Train Operators, Network Operators and Station Operators**

Railway Operators who transport less than 200 000 tons of general goods are liable to pay a flat fee of R 8 774.15

- 4.3 (a) The formula below is used as a basis to calculate Group A Operators annual safety permit fee:

$$W = (Y - U - V) * X/Z$$

**Where:**

**U** is the total amount of the railway safety permit fees payable by all Group C Operators for the most recently completed and audited financial year; **(R51 880.65)**

**V** is the total amount of the railway safety permit fees payable by all Group B Operators for the most recently completed and audited financial year; **(R2 576 290.64)**

**W** is the amount of railway safety fees payable by the relevant Group A Operators. (Use formula to determine contribution);

**X** is the annual rail-related revenue of the relevant Group A Operators for the most recently completed and audited financial year;

**Y** is the total amount of the railway safety permit fees due to the Railway Safety Regulator for the 2017/18 financial year; **(R143 100 000.00)** and

**Z** is the total annual rail-related revenue of all the Group A Operators for the most recently completed and audited financial year **(R93 027 135 824.56)**

- (b) Table below is used as a basis to calculate railway Operators annual safety permit fee:

OPERATOR GROUP	BAND	PERMIT FEE PAYABLE (Proportionate revenue distribution)
<b>GROUP A:</b>  <b>Train Station Network</b>	Dangerous goods ≥ 50 000t  General goods ≥ 500 000t  All passengers	$W = (Y-U-V) * X/Z$
<b>GROUP B</b>  <b>Train Station Network</b>	Dangerous goods < 50 000t  General goods ≥ 200 000t and < 500 000t  All tourists	0.15% of relevant (with respect to the most recently completed and audited financial year) annual rail-related revenue
<b>GROUP C</b>  <b>Train Station Network</b>	General goods < 200 000t	Flat Rate: <b>R8 774.15</b>

### APPLICATION OF NOTICE

5.1 The permit fee rates and formulae specified in sections 4.1 and 4.3 of this schedule do not apply to the following legal entities:

- (a) Transnet SOC Ltd.
- (b) Passenger Rail Agency of South Africa (PRASA)
- (c) Bombela Operating Company
- (d) All registered non-South African train operators operating in the Republic of South Africa.

5.2 The permit fee rates determined for the 2017/18 financial year shall apply to the following entities:

- (a) Transnet SOC Ltd: **R85 282 291.20**
- (b) Passenger Rail Agency of South Africa (PRASA): **R27 822 133.76**

- (c) Bombela Operating Company: **R2 900 000.00**
- (d) Non-South African train operators operating in the Republic of South Africa will pay their 2016/17 permit fee amounts plus a **10%** annual increase;
  - CFM Mozambique Railways: **R2 930 532.51**
  - Swaziland Railways: **R128 502.34**
  - Botswana Railways: **R1 064 800.00**

#### **SHORT TITLE AND COMMENCEMENT**

6. This notice is called the Determination of Permits Fees for the 2017/18 financial year, and will come into operation at a date to be determined by the Minister.

Note:

- I. No operator will pay less than what they are currently paying + CPI % adjustment rate.
- II. All operators are required to provide the Railway Safety Regulator ("Regulator"), on NIMS, with all applicable data to ensure that the Regulator conduct audits for calculations of operator fees to ensure accuracy and validity of information reported.
- III. All safety permits are valid for twelve (12) months unless agreed with the Regulator.