

## DEPARTMENT OF TRANSPORT

NO. 481

11 MAY 2018

**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, Bonginkosi Emmanuel Nzimande, 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 2018 to 31 March 2019.

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



**DR B.E. NZIMANDE, MP**  
**MINISTER OF TRANSPORT**

**DATE:** 10/04/2018

## 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 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 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:

<b>APPLICATION FEES FOR GENERAL SAFETY PERMIT</b>	<b>OPERATOR CATEGORY AND AMOUNT (RANDS)</b>		
	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	R53 650.00	R53 650.00	R53 650.00
<b>Group B:</b> Train, Network and Station Operators Application Fee	R17 580.00	R17 580.00	R3 176.00
<b>Group C:</b> Train, Network and Station Operators Application Fee	R7 372.50	R7 372.50	R3 176.00

**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	R121 929.00	R97 543.00	R13 413.00
Construction Train Safety Permit	R609 646.00	R79 254.00	R3 658.00
Test and Commissioning Safety Permit	R1 219 292.00	R121 929.00	R48 772.00

**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	7.287731101
	Private Siding Lines for General Freight/ Dangerous Goods	Annual Tons x Total length of siding (Km)	Flat Rate: R63 900.00	Flat Rate: R426 000.00	Flat Rate: R9 344.00
	Private Siding Lines for Tourist / Passengers	Total annual passenger number x Total length of siding (Km)	N/A	N/A	Flat Rate: R9 344.00
(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)	36.51813528	13504.4742	3380.41692
(c) Station	On and off boarding sites/ zones for passengers	Number of stations	N/A	N/A	Flat Rate: R103 897.00

**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 R9 344.00

- 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; **(R 55 252.89)**

**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; **(R 2 743 749.54)**

**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 2018/19 financial year; **(R 161 700 000.00)** and

**Z** is the total annual rail-related revenue of all the Group A Operators for the most recently completed and audited financial year **(R 99 073 899 653.16)**

- (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>  Train Station Network	Dangerous goods $\geq 50\,000\text{t}$  General goods $\geq 500\,000\text{t}$  All passengers	$W = (Y-U-V) * X/Z$
<b>GROUP B</b>  Train Station Network	Dangerous goods $< 50\,000\text{t}$  General goods $\geq 200\,000\text{t}$ and $< 500\,000\text{t}$  All tourists	0.17% of relevant (with respect to the most recently completed and audited financial year) annual rail-related revenue
<b>GROUP C</b>  Train Station Network	General goods $< 200\,000\text{t}$	Flat Rate: <b>R9 344.00</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:
- Transnet SOC Ltd.
  - Passenger Rail Agency of South Africa (PRASA)
  - Bombela Operating Company
  - All registered non-South African train operators operating in the Republic of South Africa.

5.2 The permit fee rates determined for the 2018/19 financial year shall apply to the following entities:

- (a) Transnet SOC Ltd: **R98 935 085.33**
- (b) Passenger Rail Agency of South Africa (PRASA): **R29 491 461.79**
- (c) Bombela Operating Company: **R2 500 000.00**
- (d) Non-South African train operators operating in the Republic of South Africa will pay their 2017/18 permit fee amounts plus a **10%** annual increase;
  - CFM Mozambique Railways: **R3 223 585.76**
  - Swaziland Railways: **R141 352.57**
  - Botswana Railways: **R1 171 280.00**

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

6. This notice is called the Determination of Permits Fees for the 2018/19 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 the National Information Monitoring System (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 otherwise with the Regulator.