

# GFIP e-toll: What happens if we can it?

In 2012 the first author asked whether it was the right time to implement Gauteng’s open road e-tolling system. He came to the conclusion that it possibly was not, based on the notion that a number of prerequisites had to be met first. Now in 2014 we ask some different questions. Firstly, what amends have been made in dealing with the requirements, and secondly, what will happen if the GFIP e-toll project is discontinued? Yes, if the project is canned?

Let us consider the first question, namely, “Has the South African National Roads Agency Limited (SANRAL) moved to satisfy a number of operational requirements rendering the e-toll project more publicly acceptable?”

In answering this question we evaluated the project against a number of success factors from the perspective of different stakeholders, as shown in Table 1. The table shows that very little has improved since 2012, or even since the system was implemented

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in December 2013. Strikingly, the table reveals that most boxes are ticked from SANRAL’s perspective, whilst from the public’s point of view, very few positives can be seen.

**Table 1: Meeting requirements for successful tolling**

From the road user’s point of view		From the road authority’s point of view		From the public / society’s point of view	
User friendliness (simplicity)	✗	Pass the revenue-cost test	✗	Fairness and the availability of alternatives	✗
Transparency	✗	Provision for occasional visitors	✓	Tolerance to a culture of non-compliance	✗
Anonymity (protection from invasion of privacy)	✗	Reliable	✓	Gradual introduction	✗
Pre- and post-payment options	✓	Be secure and enforced	✓	Provision for mixed traffic	✓
Affordability	✗	Flexible to allow variable pricing	✓	Passing the benefit-cost test	✗
		Enhance economic efficiency	✗	Revenue recycling	✗

Source: Authors’ own development

What has not helped SANRAL is the pandemonium in the media, which has most certainly caused more harm than good, and has done nothing to instil public confidence. Unfortunately e-toll has become far more than a congestion-reducing revenue-generating measure; it has become a political 'hot potato' and no politician worth his/her salt seems to want to get their hands burnt in tackling the real issues. One only has to reflect on the recent conflicting messages about prosecuting road users who are not paying their e-toll bills. On 15 July 2014 the National Prosecuting Authority (NPA) announced it had appointed two prosecutors to work with SANRAL to deal with non-payment of e-tolls, while on 19 July 2014 the Minister of Transport, Dipuo Peters, instructed that the prosecution of non-paying e-toll users be halted for now. The authors wonder if these kneejerk public announcements were discussed between the Department of Transport and SANRAL prior to making such inflammatory and conflicting statements.

Sitting on the side-line, we could debate for days the issues around why the GFIP e-toll strategy is in such a mess, without reaching any clear direction as to where to go from here. Fact is that some fundamental project principles were ignored in conceiving the strategy and its roll-out. The end-user (the public in this instance) should have been taken on the e-toll journey from the conceptual stage, and crucially the policy allowing tolling had to be linked to the benefits the system would bring about. The first stage of any project is the planning stage, and the situation Gauteng finds itself in now is a telling example of why transport planning should not be an afterthought, but part and parcel of decision-making.

It was known ten years ago that accessibility to efficient, reliable public transport (including revenue recycling) is a prerequisite to introducing any type of tolling system before the public would accept it, so why has SANRAL continued to ignore this? The travelling public and the electorate require viable alternatives once roads are tolled. They also need reassurance that the revenue collected will be spent on public transport operations and infrastructure.

The answer may lie in the fact that SANRAL has a very specific mandate, i.e. to build and maintain our national roads. It has little control over, and interest in the public transport capability and provision in South Africa.

One would have thought that, at the very least, stakeholder engagement would have taken place many years ago to determine how SANRAL could 'fund' public transport, demonstrating to the public that revenues would be ring-fenced and recycled back into the system, hence coupling policy to visible benefits. SANRAL undoubtedly considered all the technical aspects to render the e-toll system a world-class system, but the system was designed to its technical requirements and not to user requirements, except for additional road capacity. The lesson here is that Transport Demand Management should fundamentally be part of a wider system of measures in combating congestion or, in this case, funding road infrastructure.

Having said all this, let's consider the second question, namely, "What will happen if the plug is pulled on the GFIP e-toll project?" Here are some scary implications:

- South Africa's credit rating may be downgraded.
- The cost of finance will increase, impacting on the borrowing power of government, and subsequently affecting the delivery of infrastructure and services.

- This in turn may apply upward pressure on inflation.
- And this again may negatively impact on job creation.
- It would reflect poorly on government's ability to implement policy effectively and commit to contractual arrangements, which may discourage foreign direct investment.
- The investments made by SANRAL (in the form of bonds and loans) would still have to be serviced by taxpayers.
- The building of new roads would be significantly hampered or delayed.
- Traffic growth on the GFIP network will increase unabatedly.
- As the precedent has been created that tolling for road use is not acceptable in South Africa, this negative sentiment may also influence the tolling of roads in rural areas.

So, can we really allow the GFIP e-toll project to be canned?

Perhaps the Advisory Panel on the Socio-economic Impact of E-tolls, established by Gauteng Premier David Makhura on 17 July 2014, will address some of these difficulties and provide answers to these questions. One would hope that, as an outcome of the Panel findings, SANRAL should at the very least revisit its stakeholder engagement plan aimed at providing:

- a more all-round, publicly affordable e-toll system
- transparency
- revenue recycling into public transport
- strategically located HOV lanes
- park-and-ride facilities at key nodes in proximity of the GFIP network.

The problems associated with introducing e-toll projects, and overcoming the public and political implementation problems, are extremely difficult to solve once the system has been implemented – it is an intrinsically unpopular policy, which will always meet opposition from different angles. Moving to a point where the GFIP e-toll project is publically acceptable will require significant leadership from government taking a bold stand. In the absence of leadership, people will follow just about every opinion. ■

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