

TRANS AFRICAN CONCESSIONS

MCLI OCTOBER 2007

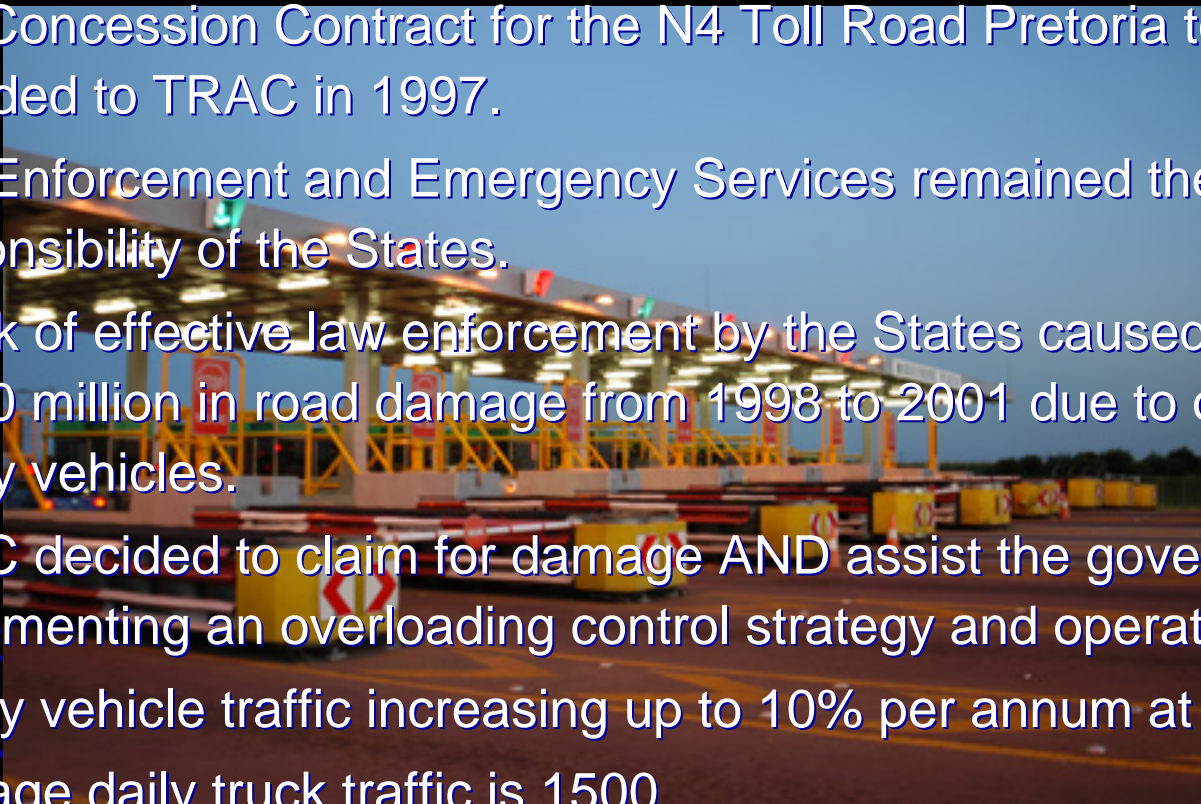
PROTECTING YOUR ASSET



PROTECTING THE ASSET

BACKGROUND OF TRAC

1. The Concession Contract for the N4 Toll Road Pretoria to Maputo was awarded to TRAC in 1997.
2. Law Enforcement and Emergency Services remained the responsibility of the States.
3. A lack of effective law enforcement by the States caused an estimated R 200 million in road damage from 1998 to 2001 due to overloaded heavy vehicles.
4. TRAC decided to claim for damage AND assist the governments in implementing an overloading control strategy and operations.
5. Heavy vehicle traffic increasing up to 10% per annum at this stage
6. Average daily truck traffic is 1500.
7. Total trucks passing the six N4 weighbridges per day is 6600.



PROTECTING THE ASSET
OBJECTIVE OF THE PROJECT

PROTECT THE N4 AND OTHER ROADS BY

ASSISTING THE STATES

IN EFFECTIVELY REMOVING THE

INCENTIVE TO OVERLOAD

PROTECTING THE ASSET

BENEFITS

- Reduce road damage
- Reduce maintenance costs of State, TRAC and user
- Improved road safety
- Maintained quality of the road

PROTECTING THE ASSET PROCESS AND FACILITIES

SOUTH AFRICA

Seven Load Control Stations operational 24 hours per day 7 days per week. Six of these stations are on the N4. One is on an alternative road.

Eleven weighing facilities on the alternative routes where **three** Mobile Load Control Units operate.

PROTECTING THE ASSET PROCESS AND FACILITIES

MOZAMBIQUE

Two Load Control Centres, provided by TRAC. One Centre is on the N4 and one on a major feeder road.

PROTECTING THE ASSET OPERATIONS

A. Statistics October 2007

| SOUTH AFRICA | Vehicles weighed monthly - 2007 | Total Vehicles weighed since 2002 | Vehicles charged monthly 2007 | Total Vehicles charged since 2002 |
|--------------|---------------------------------|-----------------------------------|-------------------------------|-----------------------------------|
| | 22 000 | 1 300 000 | 980 | 62 000 (5%) |

| MOZAMBIQUE | Vehicles weighed monthly - 2007 | Total Vehicles weighed since 2004 | Vehicles charged monthly 2007 | Total Vehicles charged since 2004 |
|------------|---------------------------------|-----------------------------------|-------------------------------|-----------------------------------|
| | 8 000 | 250 000 | 135 | 4 500 (2%) |

PROTECTING THE ASSET OPERATIONS

B. FINES

- SOUTH AFRICA:

Total of R 83.6 million issued in fines

Total of R 24.5 million paid (29%)

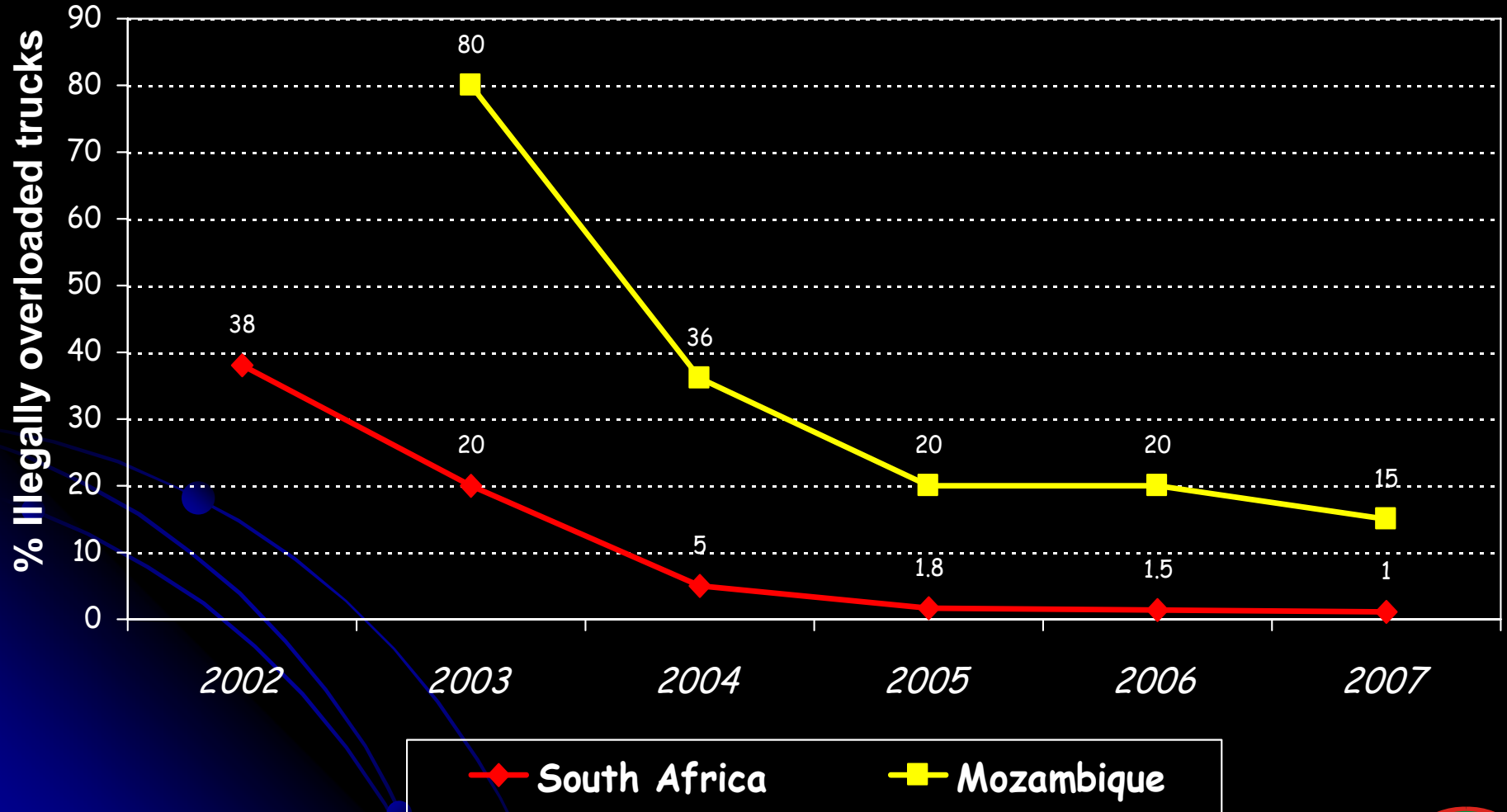
Cases are withdrawn or “discounts” on fines are given by prosecutors

- MOZAMBIQUE:

Information not available

PROTECTING THE ASSET

IMPACT ON OVERLOADING



COST TO THE STATE OF THE PROJECT

- CAPITAL: > R 200 million
- ANNUAL OPERATING COST: R 45 million

Stakeholder Issues

- 1 **Support from the Justice System lacking:**
 - Payment of fines (29%)
 - Cases withdrawn (14% of cases)
 - Discounts on fines up to 60% (43% of cases)
 - Corruption
 - Remove the incentive to overload
 - Habitual Offenders

Stakeholder Issues

2 Collective approach needed from Stakeholders to protect the infrastructure within bigger picture

- Stop continuous attempts to “justify” overloading. (Very short-term vision)
- Need co-operation from Consigners and Consignees i.e. self-regulation
- Stop habitual offenders and corruption
- Are we serious about the infrastructure of the Corridor?

Stakeholder Issues

3 Opportunity to communicate and liaise with transport operators and drivers at weighbridges

- We have contact with over 20 000 trucks per month.

QUESTIONS???