



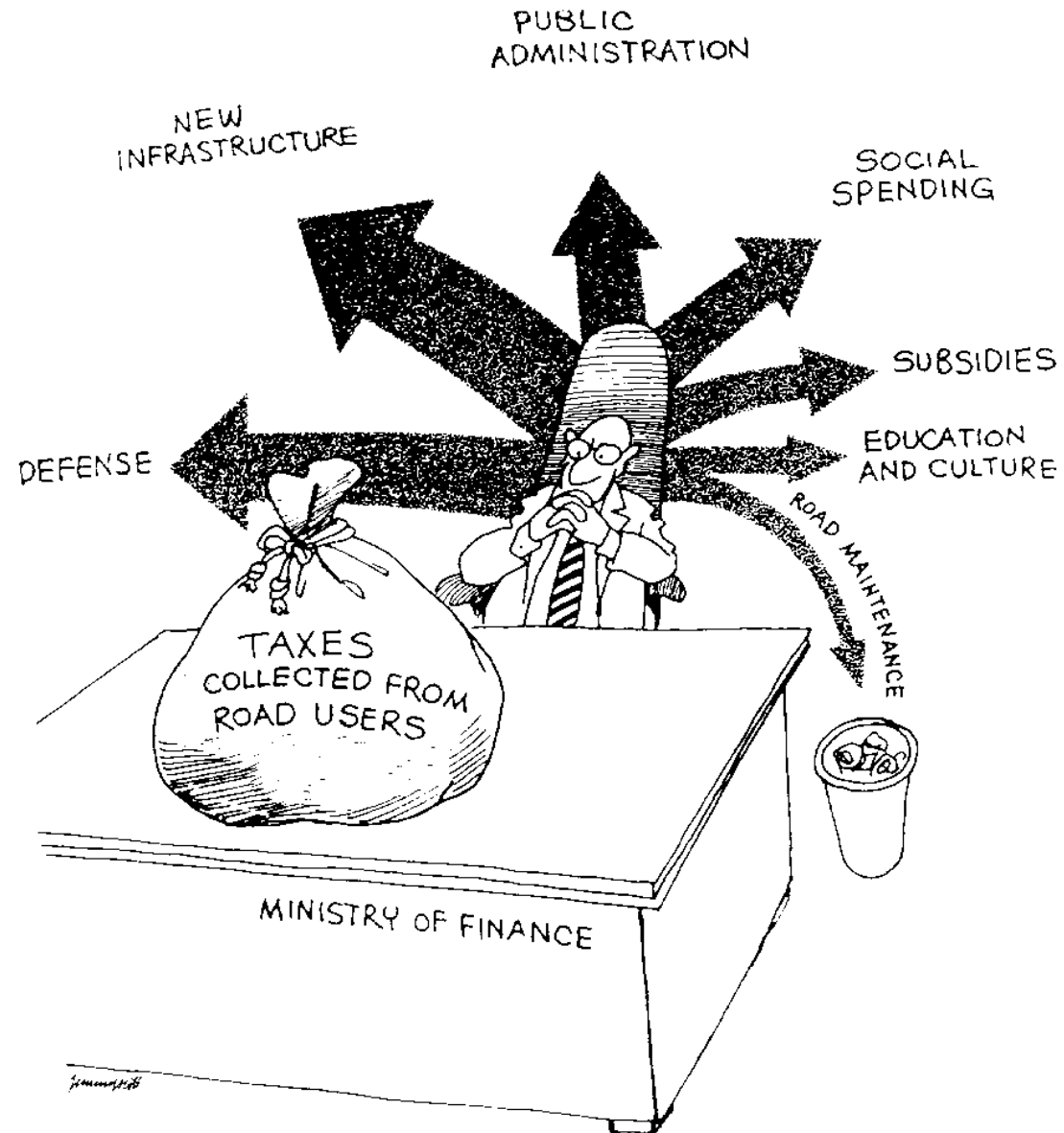
Three-Year Expenditure Forecast for the Roads Sector

21st RPF Meeting

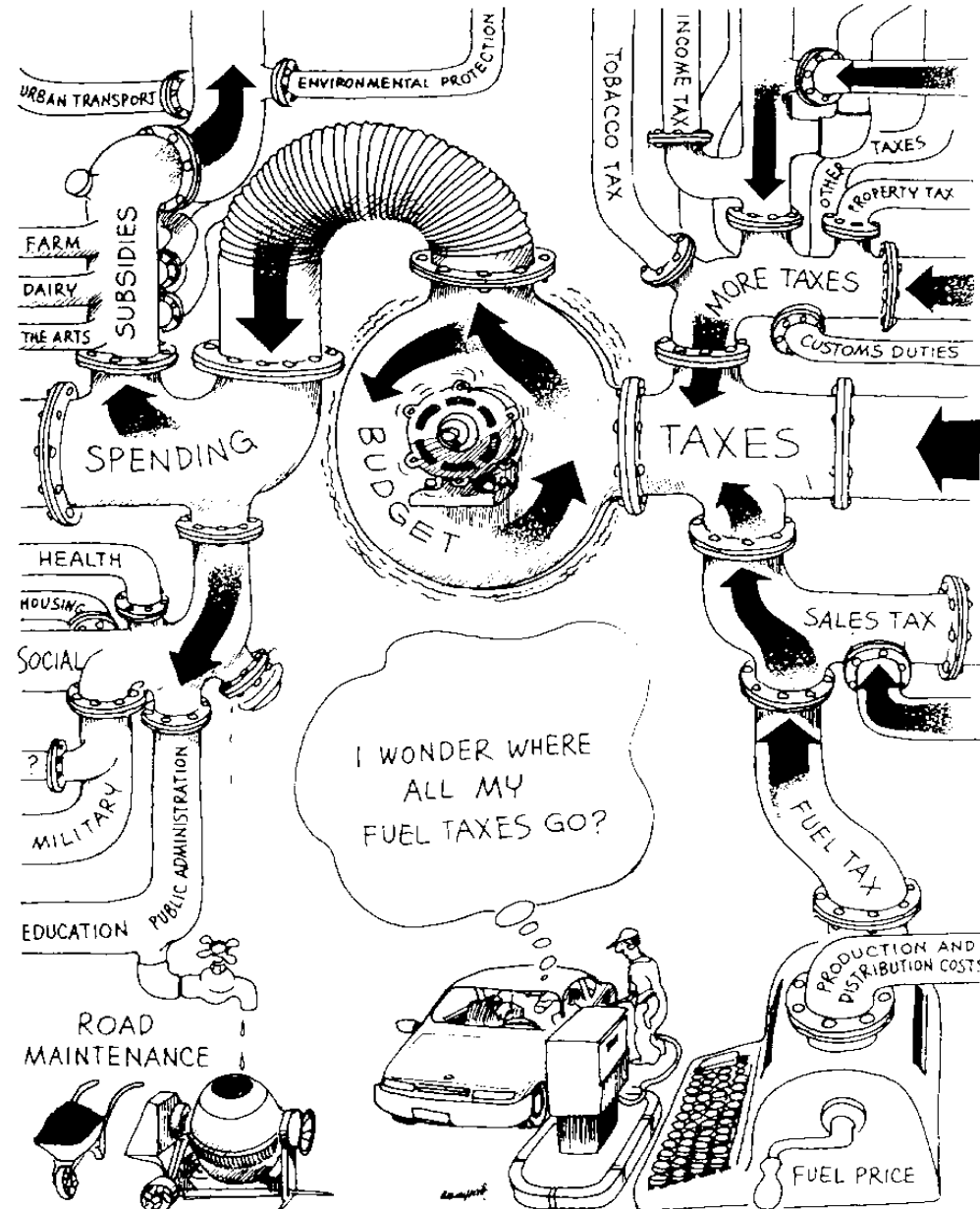
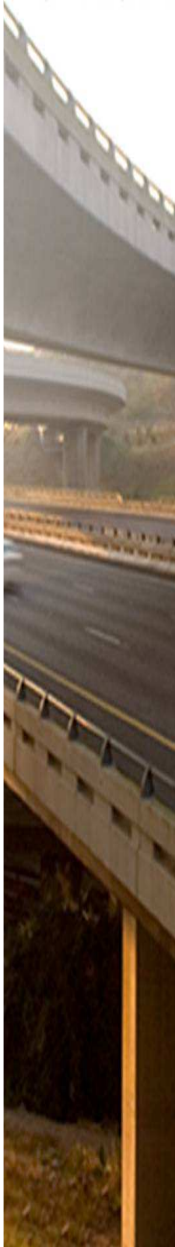
10 May 2011

L Kannemeyer

BUDGET PROCESS - Basic

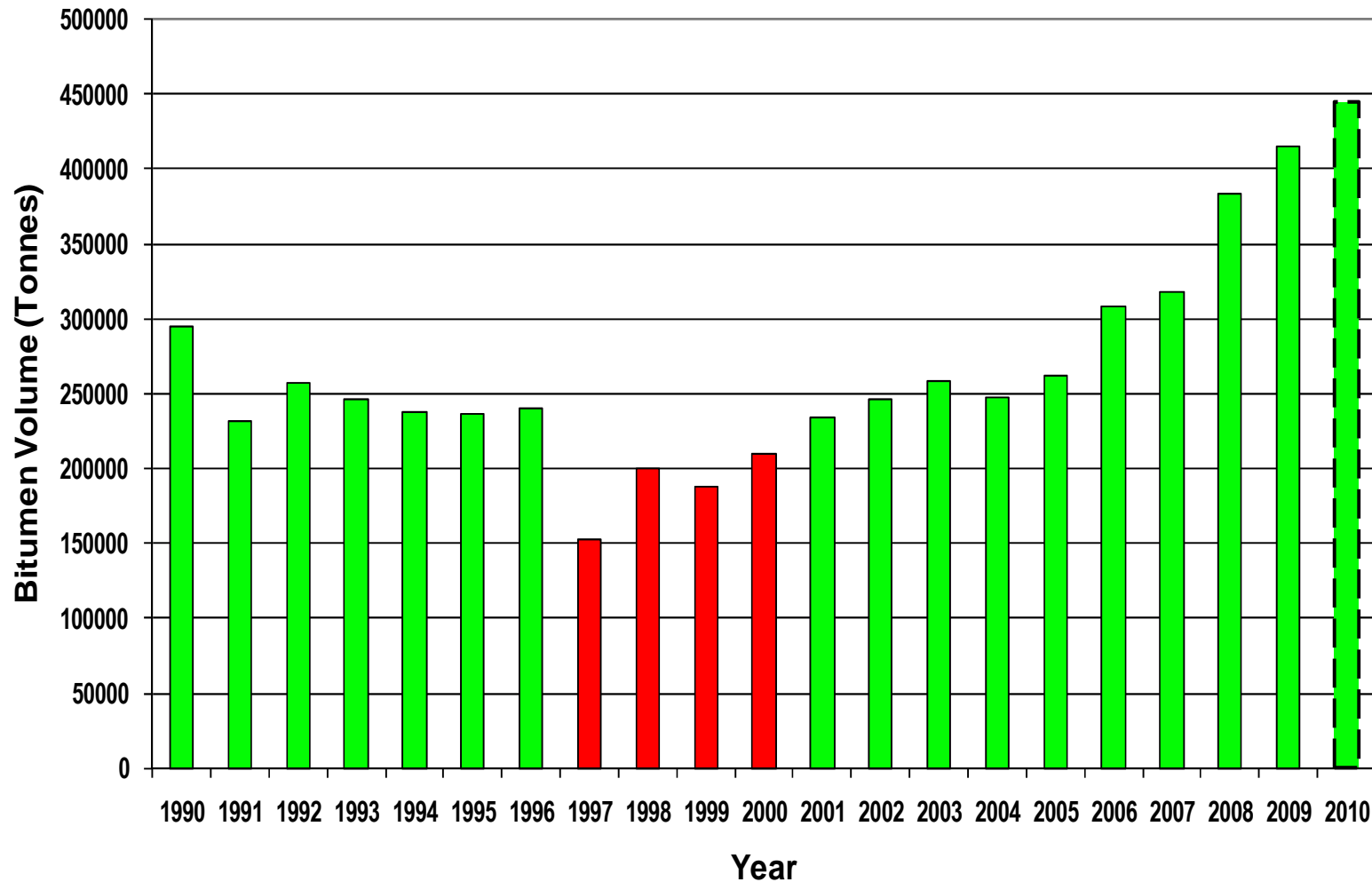


BUDGET PROCESS - Advance

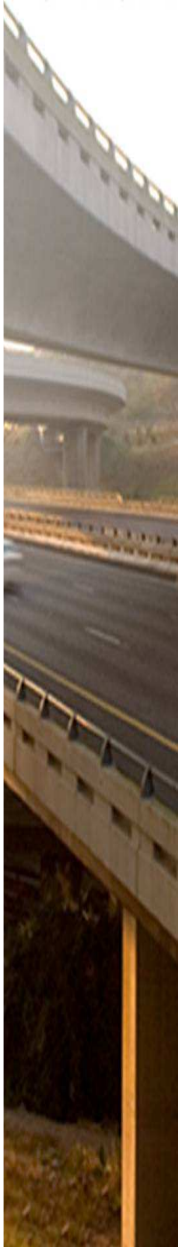


WHY - BITUMEN DEMAND ?

Bitumen Usage within South African Roads Industry (SABITA)

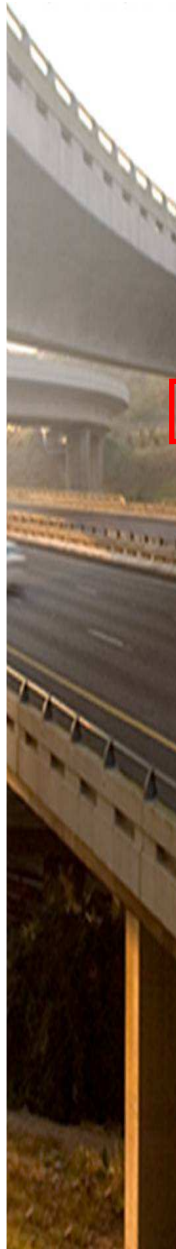


■ Data missing for some quarters from TOSAS and ENGEN



**Table 4.3 Public-sector infrastructure expenditure and estimates by sector,
2010/11 – 2013/14**

	2010/11 Revised estimate	2011/12	2012/13	2013/14	MTEF Total	% of total
R million		Medium-term estimates				
Economic Services	228 657	216 181	219 380	228 507	664 067	82.1%
Energy	102 782	96 500	98 140	96 769	291 409	36.0%
Water and sanitation	20 990	26 836	25 367	28 196	80 400	9.9%
Transport and logistics	80 530	67 452	69 096	75 554	212 102	26.2%
Other economic services	24 356	25 393	26 777	27 987	80 157	9.9%
Social services	26 249	29 519	34 932	44 268	108 719	13.4%
Health	8 546	10 256	15 114	20 624	45 993	5.7%
Education	6 757	9 155	10 092	11 487	30 735	3.8%
Community facilities	6 045	6 360	5 873	7 952	20 185	2.5%
Other social services	4 902	3 749	3 853	4 205	11 806	1.5%
Justice and protection services	3 100	3 322	7 080	10 171	20 573	2.5%
Central government administrative and financial services	2 104	3 827	7 946	3 474	15 248	1.9%
Total	260 109	252 850	269 337	286 420	808 608	100.0%



BUDGET INCOME – ROAD USERS



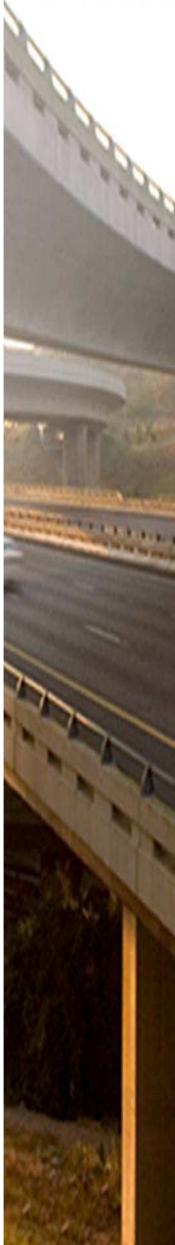
Financial Year - R'000	2009/10	2010/11	2011/12	2012/13	2013/14
Income: Fuel Levy	R 28,832,536	R 34,300,000	R 35,000,000	R 38,110,000	R 39,190,000
Income: Vehicle License Fees	R 4,600,000	R 4,800,000	R 5,100,000	R 5,400,000	R 5,700,000
Available Budget for Transport	R 33,432,536	R 39,100,000	R 40,100,000	R 43,510,000	R 44,890,000
Petrol Fuel Levy / litre	R 1.50	R 1.68	R 1.78		
Diesel Fuel Levy / litre	R 1.35	R 1.53	R 1.63		
RAF Levy / litre	R 0.64	R 0.72	R 0.80	R 0.80	R 0.80

Budget Allocation - PRMG



Provincial Roads Maintenance Grant: Precentative Maintenance on Provincial Roads + AMS			
R'000	2011/12	2012/13	2013/14
Eastern Cape	R 1,034,086	R 1,215,920	R 1,312,210
Free State	R 447,165	R 525,794	R 567,433
Gauteng	R 566,917	R 583,226	R 625,542
Kwazulu-Natal	R 1,236,648	R 1,454,099	R 1,569,251
Limpopo	R 934,208	R 1,098,478	R 1,185,468
Mpumalanga	R 1,016,603	R 1,253,564	R 1,449,002
Northern Cape	R 308,760	R 363,053	R 391,803
North West	R 501,826	R 590,067	R 636,795
Western Cape	R 411,141	R 483,437	R 521,720
Totals	R 6,457,354	R 7,567,638	R 8,259,224

Budget Allocation - PTOG

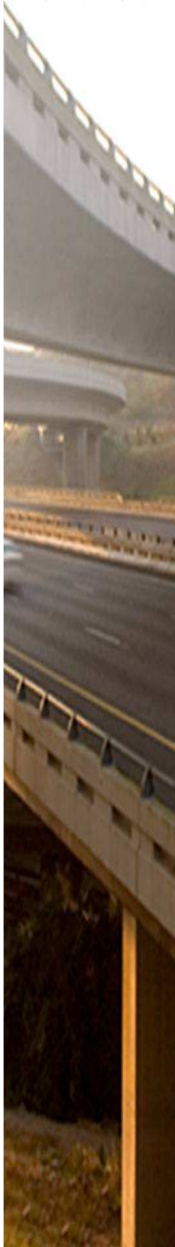


Public Transport Operations Grant: Public Transport Service Provided by Provinces			
R'000	2011/12	2012/13	2013/14
Eastern Cape	R 166,953	R 180,461	R 1,312,210
Free State	R 184,566	R 195,515	R 567,433
Gauteng	R 1,577,612	R 1,635,695	R 625,542
Kwazulu-Natal	R 773,473	R 815,611	R 1,569,251
Limpopo	R 249,498	R 274,561	R 1,185,468
Mpumalanga	R 420,099	R 436,626	R 1,449,002
Northern Cape	R 37,565	R 42,715	R 391,803
North West	R 77,211	R 89,230	R 636,795
Western Cape	R 666,255	R 690,480	R 521,720
Totals	R 4,153,232	R 4,360,894	R 8,259,224

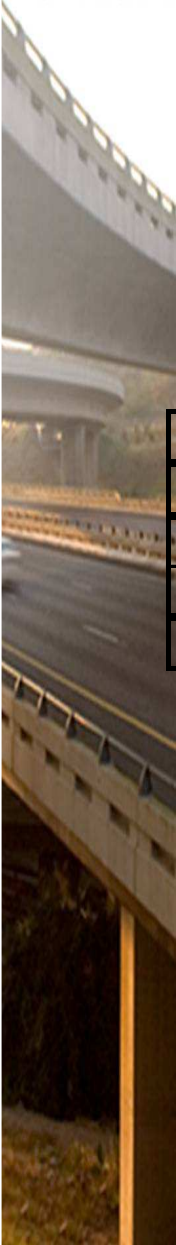
Budget Allocation – USDG + MIG

Urban Settlements Development Grant			
R'000	2011/12	2012/13	2013/14
Buffalo City	R 423,446	R 497,908	R 547,338
City of Cape Town	R 824,030	R 972,615	R 1,067,485
City of Johannesburg	R 1,027,970	R 1,216,260	R 1,333,559
City of Tshwane	R 891,081	R 1,053,856	R 1,155,692
Ekurhuleni	R 1,094,276	R 1,297,640	R 1,421,452
eThekweni	R 1,091,574	R 1,299,706	R 1,421,322
Mangaung	R 411,995	R 483,427	R 531,884
Nelson Mandela Bay	R 502,626	R 588,100	R 648,074
Totals	R 6,266,998	R 7,409,512	R 8,126,806

Municipal Infrastructure Grant			
R'000	2011/12	2012/13	2013/14
Totals	R 11,443,505	R 13,914,132	R 14,679,408

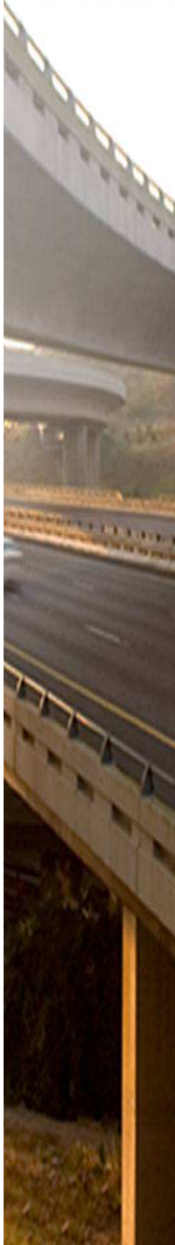


Budget Allocation - SANRAL



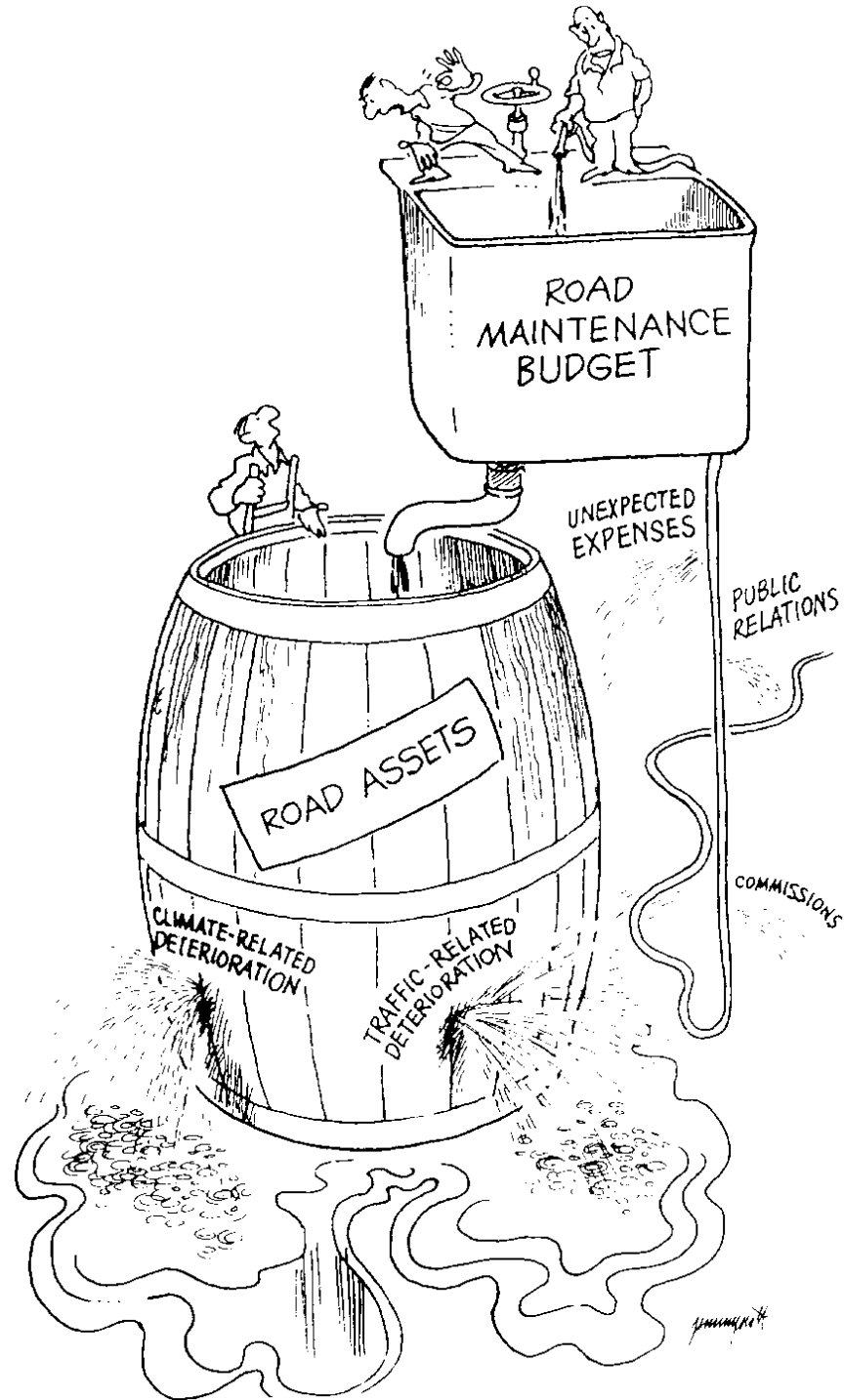
SANRAL Allocation			
R'000	2011/12	2012/13	2013/14
Non-Toll	R 8,651,596	R 9,728,055	R 10,340,966
Toll	R 6,860,332	R 3,859,958	R 3,733,863
Total	R 15,511,928	R 13,588,013	R 14,074,829

Budget Allocation End Result



Total Treasury Allocation - Maintenance and Construction			
R'000	2011/12	2012/13	2013/14
Income: Fuel Levy	R 35,000,000	R 38,110,000	R 39,190,000
Income: Vehicle License Fees	R 5,100,000	R 5,400,000	R 5,700,000
Total Income	R 40,100,000	R 43,510,000	R 44,890,000
Budget Allocations by Treasury	R 37,622,800	R 43,619,118	R 46,970,008
Surplus/Shortfall	R 2,477,200	-R 109,118	-R 2,080,008

Sanral Toll	R 6,860,332	R 3,859,958	R 3,733,863
Total Expenditure	R 44,483,132	R 47,479,076	R 50,703,871
% Change		6.74%	6.79%

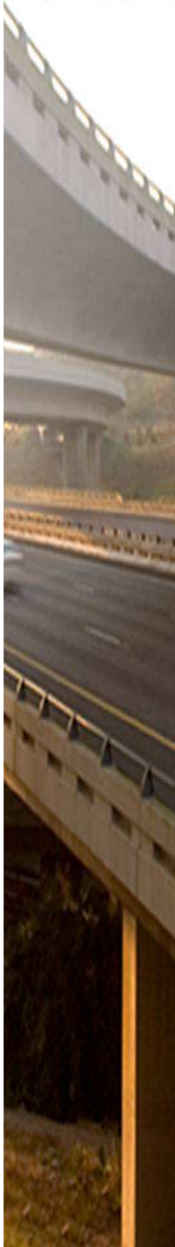


Estimated Backlog (Strengthening / Regravel)

Strengthening/Regravel Backlog: Roads in Poor to Very Poor Condition								
Authority	Paved			Gravel			Total	
	%	Length	Cost	%	Length	Cost	Length	Cost
SANRAL	11.86%	1,932	R 15,456,000,000	0.00%	0	R 0	1,932	R 15,456,000,000
Provinces - 9	22.79%	10,980	R 87,840,000,000	50.66%	69,216	R 13,843,111,157	80,196	R 101,683,111,157
Metros - 9	4.12%	2,127	R 10,635,000,000	8.48%	1,227	R 245,315,473	3,354	R 10,880,315,473
Municipalities	3.62%	1,363	R 4,089,000,000	28.54%	86,245	R 17,249,009,106	87,608	R 21,338,009,106
Total Backlog		16,402	R 118,020,000,000		156,687	R 31,337,435,736	173,089	R 149,357,435,736

Notes:

1. Based on actual condition data for only 37% of the network (used as estimate for rest ???) and some data as old as 2004 for some authorities.
2. The above backlog excludes backlogs related to periodic resurfacing of the network, upgrade of gravel roads to surfaced standard, addition of additional lanes to alleviate congestion and construction of new roads.

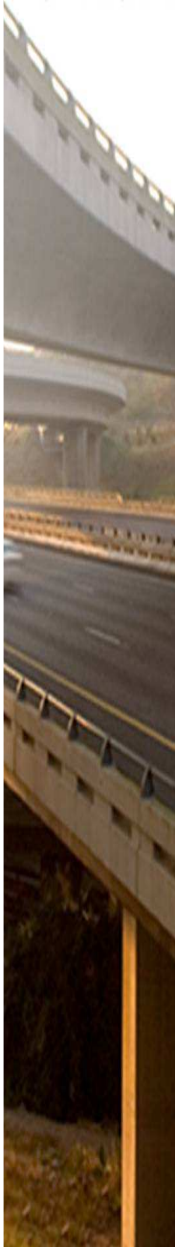


Budget Requirement versus Allocation

Estimated Maintenance Budget Requirement per Year					2010/11 Allocation	2010/11 As %
Authority	Total Network	Maintenance Budget Per Year				
		Sustain	Backlog	Total		
SANRAL	16,170	R 9,248,616,000	R 3,091,200,000	R 12,339,816,000	R 6,844,501,000	55.47%
Provinces - 9	184,816	R 29,533,341,758	R 12,046,129,680	R 41,579,471,438	R 22,300,000,000	53.63%
Metros - 9	66,143	R 13,086,160,700	R 347,052,528	R 13,433,213,228	R 3,700,000,000	27.54%
Municipalities	339,849	R 14,037,274,500	R 389,727,300	R 14,427,001,800		0.00%
Totals km	606,978	R 65,905,392,957	R 15,874,109,508	R 81,779,502,465	R 32,844,501,000	40.16%

Notes:

1. Based on actual condition data for only 37% of the network (used as estimate for rest ???) and some data as old as 2004 for some authorities.
2. Strengthening Backlog addressed over 5 years, and regravels over 10 years.
3. The above backlog excludes backlogs related to the addition of additional lanes to alleviate congestion and construction of new roads.



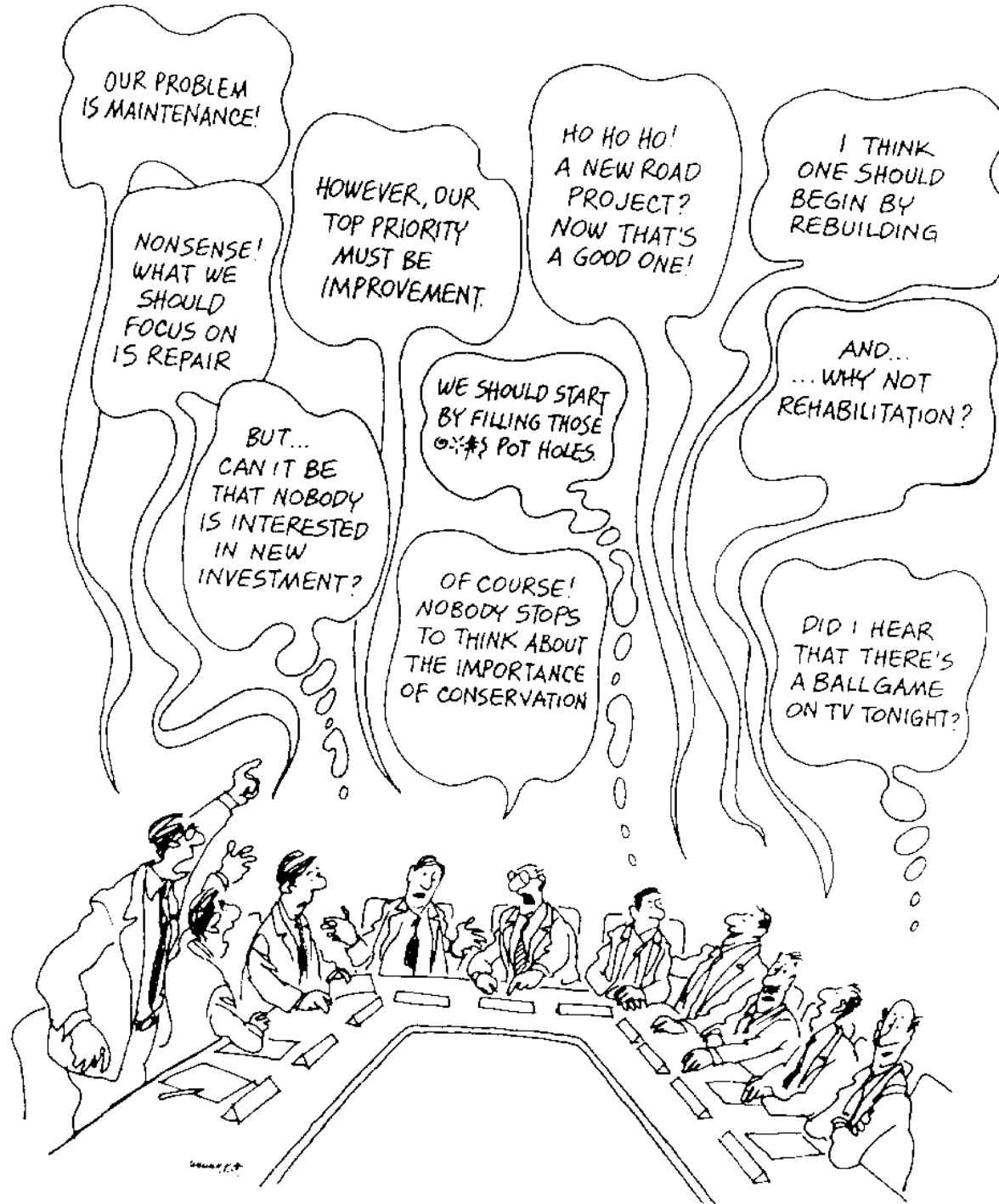
Budget Breakdown



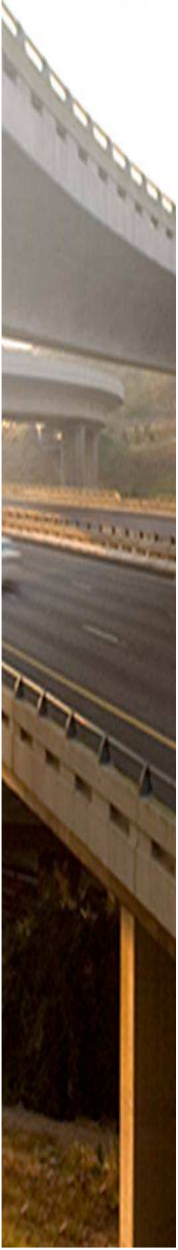
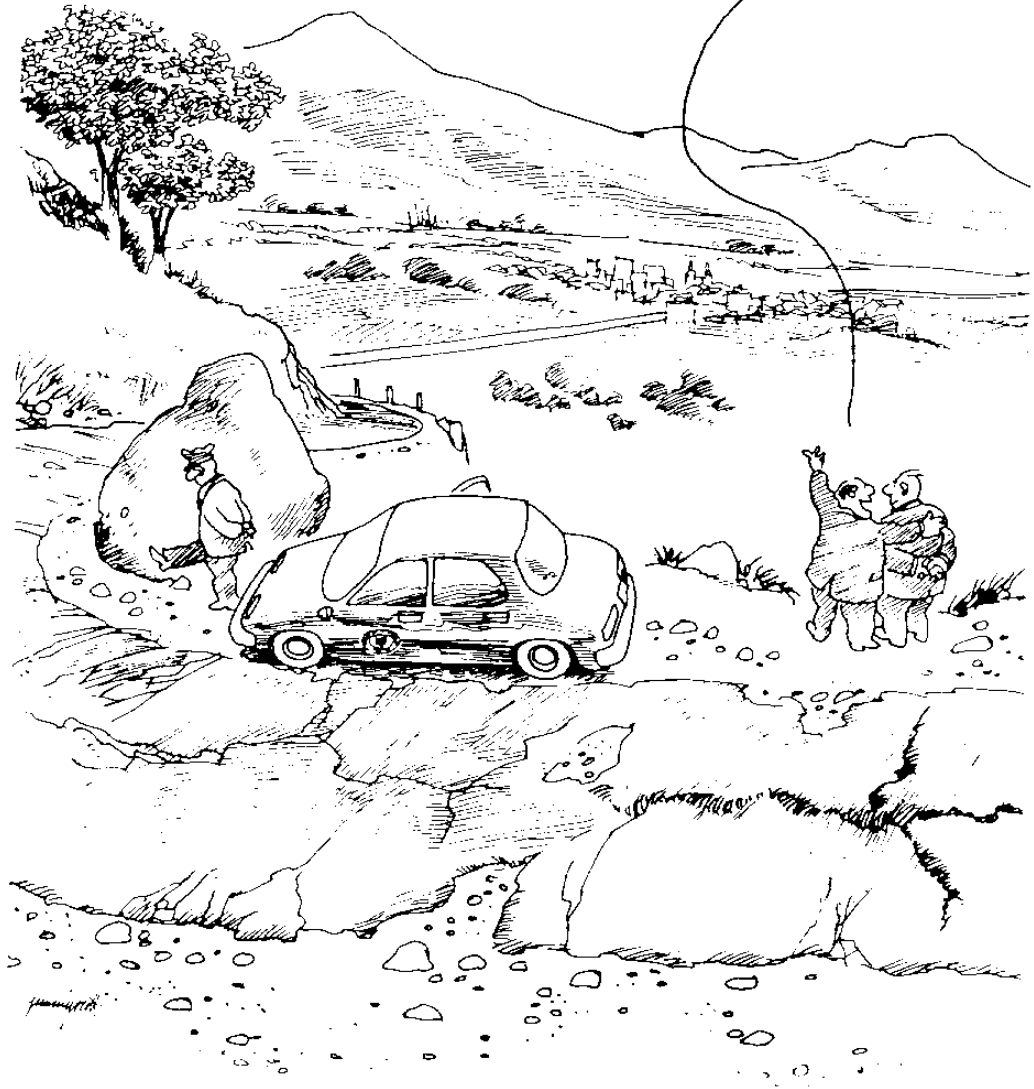
Budget Breakdown			
R'000	2011/12	2012/13	2013/14
Routine Maintenance			
Periodic Maintenance			
Rehabilitation			
Improvements			
New Construction			

Notes:

1. By 01h00 this morning only data available was from Eastern Cape, Northern Cape, Ethekewini and SANRAL.
2. For Rest ???



TO SPEND OUR ANNUAL BUDGET BEFORE
THE END OF THE YEAR, WE'RE GOING TO
CONSTRUCT A MONUMENT IN HONOR OF
HIGHWAY ENGINEERS HERE





SANRAL Website: www.nra.co.za

THANK YOU!

**"Where a road passes,
development
follows right on its
heels"**



31 7 2002