

**Proposed N21 (R300) Cape Town Ring Road**  
**Notes from Information Sharing Meeting; Cape Chamber of Commerce and Industry**

**TIME:** 14h00-15h00  
**DATE:** Monday, 13<sup>th</sup> January 2003  
**VENUE:** 2<sup>nd</sup> Floor, Liebenberg and Stander Centre, Foreshore, Cape Town

### 1. Attendance

<b>NAME</b>	<b>ORGANISATION</b>
Sadia Chand	Chand Ecosense JV
Desiree du Preez	Chand Ecosense JV
Christine Unger	Chand Ecosense JV
Albert C. Schuitmaker	Executive Director: Cape Town Regional Chamber of Commerce and Industry
Poens Venter	Penway Consortium

### 2. Apologies

<b>NAME</b>	<b>ORGANISATION</b>
Chris Nissen	Cape Town Regional Chamber of Commerce and Industry

### 3. Introduction

- This meeting was arranged in response to local newspaper articles quoting Chris Nissen and A.C. Schuitmaker, as well as Michael Farr (Cape Town Partnership) on aspects of tolling, following a City of Cape Town work shop in October 2002, where congestion tolls and fuel levies on the incoming N1/N2 highways were identified as feasible and desirable alternatives to tolling.
- Poens Venter delivered a presentation with specific emphasis on the tolling aspect of the proposed N21 (R300) Cape Town Ring Road, to Mr A.C. Schuitmaker, representing the Cape Regional Chamber of Commerce and Industry, with Chand Ecosense JV as facilitators.
- The presentation described the background to the project, provided an update on the progress of the project, and described the benefits of the proposed toll road. It included the following key headings:
  - Benefits for the State;
  - Benefits to the Developer
  - Perspective on tolling
  - Benefits of this toll road
  - Current source of finance
  - Project history
  - Toll strategy development (including year 2005 road user volumes before tolling, toll positions and toll rates)
  - Penway prerequisites for the project
  - Conclusions

➤ The way forward

P Venter concluded with a reference to the website, [www.peninsula-expressway.org.za](http://www.peninsula-expressway.org.za), where one could access further information on the proposed project.

#### 4. Discussion

COMMENTATOR	COMMENT	RESPONDENT	RESPONSE
A. Schuitmaker	Many toll road schemes implemented in the past have proven to run at a loss, financially. Is this true of this project?	P Venter	While this is true for other toll roads, the proposed project had been investigated in terms of financial viability, including studies of traffic volumes and proposing toll rates that would still be attractive to road users. Should the project be found to be financially unviable the project would not continue.
A. Schuitmaker	What would the R.I.I be for such a project?	P Venter	It would typically be in the region of 15%.
A. Schuitmaker	Road user benefits of the proposed toll road should be 'marketed' to business people as they currently appear to be focused solely on the (negative) cost implications of the road to them as users, without seeing the benefits.	P Venter	Noted. Such economic issues have been addressed in the socio-economic specialist report . This has been done by U.C.T's Graduate.School of.Business, authored by Barry Standish. Currently in draft form, it will be made available with the Environmental Impact Report, (EIR) released provisionally in March of this year.
A. Schuitmaker	What about the provision of bus	P Venter	No provision for bus lanes had been

	lanes in the proposal?		proposed for the road itself, but the proposed toll plazas would make provision for busses.
A. Schuitmaker	I would like to clarify with P. Venter that the tolling of road users was retrospective – users pay at each toll plaza for the section of the road travelled before the toll plaza.	P Venter	No, this would not be the case at all plazas. At some plazas you would pay when you access the freeway.
A. Schuitmaker	Higher business expenditure can result in the increased cost being past on to the consumer and so increase household expenditure. This statement would break the perception that it is the poor people living in the area of the toll road who are being tolled.	P Venter	An estimated 75% of tolled users would be business travellers rather than private commuters whose household expenditure would be affected by the toll.
A. Schuitmaker	The locality map of the road shows the section of the road north of the N1, with apparently low numbers of road users on this section of road. How would this financially justify the building of the toll road in this area?	P Venter	Existing pressures on existing roads in Durbanville made another route necessary and the road would initially be constructed as a single carriageway north of Durbanville to bring down costs until road use volumes picked up and necessitated additional carriageways.
A. Schuitmaker	Have solutions been found to deal with the impact of	P Venter	These sensitive issues could not be entirely overcome.

	the road on birds and wetlands on the southern sections of the road?		but impacts could be mitigated. This is addressed in the EIA phase of the project. We have attempted to work with key stakeholders, for example. the Steering Committee of the False Bay Ecology Park to tackle issues.
		S Chand	Issues receiving media attention, namely the birds and wetlands of the area, are issues that can be mitigated and that the issue of disturbing important areas of vegetation is the more difficult issue.
A. Schuitmaker	Is the expected starting date for the construction of the project, upon approval, still 2005?		This is indeed the expected date.
A. Schuitmaker	Is this proposal linked with the proposal to toll the N1/N2 freeways?	P Venter	These are separate proposals with different scheme developers.
A. Schuitmaker	Although the Cape Chamber of Commerce and Industry views a fuel levy to be the most equitable form of user charge of a road, we recognise a toll road as a feasible alternative to raise funds, providing that the toll road serves to construct a new road or	P Venter	I will include a document published in the U.S.A dealing with the facts and myths of tolling and a presentation document by Kobus Van Der Walt. Also, the socio-economic report by Barry Standish will be forwarded to you when finalized.

	<p>upgrade a road and not merely to maintain the road. In view of this, the proposed toll road is acceptable to us. I offer the assistance of the Chamber as a supporter of the project, should this be required. I would like a summary of benefits of the toll road to users in the medium to long term in order to counter opposition to the tolling of the road. Specifically, the Stellenbosch, Paarl and Helderberg communities have been identified as possible strong opposition to the proposal.</p>		<p>This information could assist in this regard.</p>
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## 5. Conclusion

S Chand thanked all those present for attending and closed the meeting at 15h00.

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