

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 1401 [NW2615E]
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1401. Mr G G Hill-Lewis (DA) to ask the Minister of Finance:

In view of his reply to question 934 on 9 October 2019, (a) what then is the justification of retaining the e-tolls project and (b) why is the fact that there is no money owed that is directly ascribable to the Gauteng Freeway Improvement District not supported by abolishing e-tolls?

NW2615E

REPLY:

As explained in the reply to question 934, financing the Gauteng Freeway Improvement Project (GFIP) is done on a corporate finance basis and not a project finance basis. Borrowing for toll roads are done on the basis that there is a revenue stream to finance the debt. A significant portion of the South African National Roads Agency's existing debt was to finance the upgrade of roads on GFIP and it requires a revenue stream to finance it, so e-tolls cannot be abolished without a revenue stream to finance existing commitments.