

"FA₃₁"

ADDRESSING THE E-TOLL DEBT

Honourable Members, following the 2022 MTBPS where the Minister of Finance, Enoch Godongwana made a policy pronouncement "to resolve the funding impasse the Gauteng provincial government has agreed to contribute 30 per cent to settling SANRAL's debt and interest obligations, while national government covers 70 per cent".

The province has accepted the 30 per cent debt contribution and provision for honouring this commitment is part of the fiscal framework that we are presenting today. This is part of the province's arrangements to service the debt.

The province has approached financial institutions to raise money required to honour its contractual obligations noting that the target date for ending the tolling of GFIP 1 is 31 March 2024.

Honourable Members, let me reaffirm Premier Panyaza Lesufi's commitments in the State of the Province that by the 31st of March 2024 we should have resolved the issue of E-Tolls once and for all.

Whilst provision has been made to settle the E-Toll debt, Gauteng Provincial Government strongly believe that all other matters relating to road maintenance be concluded through a separate process.

Madam Speaker, we have held engagements with SANRAL and they confirmed the E-Tolls maintenance backlog of R4.1 billion, and the fact that funding will be required over a period of four years. This demonstrates beyond reasonable doubt the province's commitment to comply with National Treasury's requirements and bring us closer to exiting the Gauteng Freeway Improvement Project (GFIP).

As part of the winding down process, statutory authorities at national level – National Treasury, National Department of Transport and SANRAL – will carry out all the necessary steps to cease the collection of E-Tolls and gazette accordingly.

With regards to the cancellation of the E-Tolls, fourteen days after the publishing of the deregulation gazette, Gauteng road users will no longer be charged for the use of the Gauteng freeways. Various processes will

Handwritten signature and initials in the bottom right corner of the page.

be in place leading up to the date, including turning the tag beeps off and stopping invoices to road users.

The gantry lights and cameras will remain on as they will continue to be operated for other law enforcement purposes but will no longer be used for E-Toll collection.

Road users can continue to use their eTags at all other toll plazas in the country, as long as their accounts are active. Further details on this process will be communicated to all road users in due course.

CONCLUSION

In conclusion, Honourable Members, over the past three decades, our democracy has been shaped by the contributions and sacrifices of countless individuals who envisioned a society based on justice and equality. This budget pays tribute to their legacy by ensuring that our policies and allocations are geared towards reducing disparities, enhancing access to essential services, and fostering an environment where every citizen can thrive.

To Premier Lesufi, thank you for the hard work and the guidance that you always provide to me and fellow members of the Executive Council.

I express my appreciation to the Premier's Budget Committee for the valuable insight that you always provide to us as we prepare the budget.

Thank you to both the Finance Portfolio Committee and the Standing Committee on Public Accounts under the capable leadership of Honourable Paul Malema and Honourable Sochayile Khanyile respectively, for your oversight on all budget and financial management matters.

I want to thank the **Gauteng Provincial Treasury** team under the leadership of HOD, Ms. Ncumisa Mnyani and the **Gauteng Infrastructure Financing Agency** led by the CEO Mr. Oupa Seabi for the hard work and dedication to the cause of improving financial management in the public sector in South Africa.

Lastly, I express my appreciation to the residents of Gauteng and all our stakeholders for continued support, advice and criticism. You keep us on our toes to always strive to serve the people better.

Handwritten signature and initials in the bottom right corner of the page.