

A brief history of the Gauteng e-toll saga

- In 2007, Cabinet approved the upgrade of the Gauteng freeways.
- In 2008, Government declared Gauteng's 186km freeway as a toll road. This declaration remains in place.
- The South African National Roads Agency Ltd (SANRAL) decided to implement an electronic tolling (e-toll) system as a means of collecting funds to cover the bonds (around R21bn, mainly from the Public Investment Corporation) which paid for the freeway upgrade construction costs.
- SANRAL formally informed Government on no less than two occasions in 2008 – the same year that the Gauteng Freeway Improvement Project (GFIP) construction began – that the project would cost between R11.8bn and R11.9bn.
- SANRAL informed the public and the authorities that the project was completed in 2011 at a price tag of R17.9bn, almost 60% more than the price-tag indicated in 2008.
- The e-toll tenders were concluded in 2009 and the Austrian-based Kapsch TrafficCom company, known as Electronic Toll Collection (ETC) in a joint venture with local partners, won this tender to manage the five-year operations contract, plus other items, at a value of R6.2bn.
- The public outcry from all sectors began in 2010, when the visible construction of the e-toll gantries sparked public awareness and debate about the funding scheme.
- In September 2011, the contract with the ETC-JV was signed at a value of R9.9bn, some 60% higher than ETC's tendered value indicated by SANRAL.
- In 2012, OUTA was formed as a consortium of business and community organisations, funded largely by business at that time, to challenge the e-toll decision and have it reviewed in court.
- In March 2012, OUTA took the National Treasury and SANRAL to court to stop e-tolls pending the outcome of a legal challenge to the system. Their legal challenge interdicted the e-toll launch in April 2012, but this was overturned in September 2012. The Constitutional Court ruled against OUTA, citing the principle of separation of powers of the Executive, legislature and judiciary, and saying that it was the Executive's prerogative to decide on how to finance public projects. SANRAL said it was ready to launch the scheme within two weeks but failed to do so for a further 15 months.
- In October 2013, in the main legal challenge, the Supreme Court of Appeal (SCA) ruled against OUTA as the case was brought too late. However, the SCA ruling included a ruling that allowed the public to introduce a collateral (also known as a defensive) challenge, if and when members of the public were summonsed for non-payment of e-tolls. This paved the way for the current legal challenge which has been underway for the past three years.
- On 3 December 2013, against all advice and an ongoing outcry from business, labour, political parties and the public at large, who cited many practical reasons why the scheme would fail, SANRAL and the Department of Transport switched on the e-toll gantries.
- Resistance to paying e-tolls was immediate. While SANRAL's e-toll compliance levels rose to their highest at 40% by June 2014, all indications were that this was achieved only through a highly coercive campaign by SANRAL and Government authorities. This included threats of criminal or civil prosecution, that vehicle licenses would not be renewed, that summonses and default judgments would be pressed, and that defaulters would be blacklisted.
- Compliance declined from 40% (revenue of about R120m collected in June 2014) to around 20% (R55m to R70m per month) by 2019. The amount collected each month over the past two years barely covers the e-toll collection fee paid to ETC.

- In November 2015, SANRAL launched a 60% discount offer to entice defaulters to settle their debt and become compliant. This merely raised R189m (2% of the outstanding debt) and the compliance levels continued to decline.
- In late 2015, OUTA launched the e-toll defence umbrella to assist motorists with a defensive challenge in the event that SANRAL carried out its threats to issue summonses. OUTA believes that a strong case exists in a defensive challenge to find motorists not guilty for non-payment of e-tolls.
- In February 2016, OUTA expanded its mandate to challenge other issues of maladministration and corruption of taxpayers' funds, giving rise to OUTA's name change and broader mandate.
- By 2016, SANRAL had started issuing individual summonses to e-toll defaulters. Many members of the public who were summonsed, contacted and mandated OUTA to handle this matter on their behalf.
- As the courts were potentially about to be inundated with thousands of e-toll default cases, agreement between OUTA, SANRAL and the high court was reached to develop a "test case" scenario using a few actual cases to be argued in court. This meant that all cases whose summonses were mandated to OUTA on behalf the public were placed on hold, pending the outcome of this "test case".
- By March 2019, this test case was at an advanced stage when SANRAL announced its decision – taken at an "urgent board meeting" in March 2019 – to temporarily halt legal efforts to chase e-toll debt. This coincided with the extensive electioneering taking place ahead of the May 2019 national and provincial elections.
- The "temporary" suspension of e-toll debt efforts has remained in place for the past nine months. However, at the time of SANRAL's announcement in March 2019, Minister of Finance Tito Mboweni suggested this suspension should not take place and said that the "user-pay" principle should apply, suggesting that the e-toll scheme should thus remain in place.
- Gauteng Premier David Makhura has been an ardent critic of the e-toll scheme since his appointment as premier in 2014. However, all five Ministers of Transport under the Jacob Zuma presidency agreed to keep the scheme in place.
- Blade Nzimande, appointed as Transport Minister in February 2018 by President Cyril Ramaphosa, was the first Minister of Transport to indicate that an alternative solution needed to be found to address the low levels of e-toll payment.
- In May 2019, Fikile Mbalula took over as Minister of Transport and also saw the need to address the e-toll impasse.
- In July 2019, [President Ramaphosa tasked Minister Mbalula](#) to engage with Finance Minister Mboweni and Gauteng Premier Makhura to find Cabinet a solution on the e-toll impasse by the end of August. This deadline was extended several times.
- On 30 October 2019, in his Mid-Term Budget Policy Statement (MTBPS) speech, Minister Mboweni said Cabinet had considered options on the e-tolls and reiterated the need for a user-pay principle, leaving the impression that Cabinet had decided to keep the scheme. This was in contrast to recent announcements by Minister Mbalula of the need to find a solution to the impasse.
- On 1 November 2019, Minister Mbalula announced that the e-toll task team had tabled a range of proposals to Cabinet, including a "preferred reconfigured approach to GFIP" and that Cabinet had not made a decision, but told the team to do some further work and report back to Cabinet in two weeks. He said Cabinet would then make a decision.