



Prefeasibility Executive Summary Report

1. Project Details

Project Name	Shayela Smart Programme
Location	City of Cape Town
Sector	Economic
Department	Department of Mobility
Project Owner	Deidre Ribbonaar
Project Manager	Deidre Ribbonaar

Project Scope

The Shayela Smart Project delivers a coordinated package of infrastructure, systems and institutional interventions to stabilise and improve the minibus taxi sector. The scope includes establishing Remote Holding Areas and Strategic Stop-and-Go facilities at priority interchanges; implementing driver registration, training and monitoring systems; strengthening regulatory and operational management; and enabling data-driven planning, commercialisation opportunities and future public transport integration, including electronic ticketing and fleet upgrades.

Justification

Shayela Smart is an integrated, systems-based programme led by the Western Cape Government, the City of Cape Town and the South African National Taxi Council Western Cape (SANTACO WC) to stabilise, strengthen and modernise the province's minibus taxi (MBT) sector. As the dominant public transport mode, responsible for the majority of work trips and central to the provincial economy, the MBT system is indispensable but faces persistent operational, safety and regulatory challenges. Shayela Smart responds to these issues through a coordinated package of interventions, including driver registration and accredited training, province wide vehicle monitoring, unified branding, improved regulatory systems and the establishment of Remote Holding Areas (RHAs) and Strategic Stop-and-Go (SS&G) facilities to reduce congestion at priority Public Transport Interchanges (PTIs). Collectively, these measures lay the foundation for long-term formalisation, future electronic ticketing, improved fleet management and more reliable, customer-focused public transport, while strengthening the broader mobility ecosystem through a deliberate systems-thinking approach. The strategic case for the programme is strong. With rail services having collapsed, demand for taxis has increased sharply, creating significant pressure on PTIs and exposing gaps in compliance, enforcement and passenger safety. The economic costs of system instability have been made clear, the 2023 stay-away alone resulted in an estimated R5 billion loss to the Western Cape economy, highlighting the urgency of a structured, collaborative and mission-oriented reform programme. Shayela Smart aligns with major transport planning instruments, including the Provincial Land Transport Framework, the Comprehensive Integrated Transport Plan, the Integrated Public Transport Network, the Operating Licence Plan, and the Multi-Year Financial Operational

Plan. This policy integration ensures coherence across spheres of government and supports efficient implementation, particularly in communities affected by historical spatial inequalities. The programme's feasibility has been endorsed through the Western Cape Infrastructure Framework 2050 (WCIF 2050) Panoptic Evaluation, which found strong alignment with principles of infrastructure innovation, spatial justice, resilience and transversal governance. Phase 1 is implementation-ready, with defined sites, established intergovernmental structures and active engagement with taxi associations and local communities. Financial requirements include approximately R94 million in initial infrastructure investment and stabilised annual costs of around R135 million, supported by a mix of public funding, commercialisation opportunities and potential Public-Private Partnership (PPP) arrangements. Revenue-generation potential at RHAs and SS&Gs, through retail services, data platforms, renewable-energy installations and digital offerings, further strengthens long-term sustainability and enables more regenerative infrastructure value chains. Shayela Smart provides a pragmatic, mission-oriented, WCIF, and WCIS aligned pathway to transforming public transport in the Western Cape. By embedding the WCIF 2050 Panoptic Principles of innovation for equitable development, resilient and regenerative infrastructure ecosystems, spatial justice centred value creation, and transversal governance, the programme anchors mobility reform in long-term public value. Its systems-thinking foundation recognises how commuters, operators, infrastructure and regulation interconnect, ensuring improvements in one area strengthen the entire mobility system. The programme is now positioned for investor engagement, market sounding and procurement preparation, offering a meaningful opportunity to support safer, more reliable mobility and a more inclusive, opportunity-enabling provincial economy.

Sector Specific Analysis

- **Inadequate transportation infrastructure**

A central driver of the project. Congested PTIs, lack of holding space, unmanaged stopping and limited operational infrastructure significantly constrain the minibuss taxi system. Shayela Smart directly responds to this gap.

- **Technology & Regulatory features**

The sector requires improved regulatory capability supported by technology. Shayela Smart integrates **digital monitoring, compliance systems and data-driven oversight** to modernise regulation without heavy legislative reform.

- **Governance and Compliance Risk**

Fragmented governance, limited enforcement capacity and weak compliance have historically destabilised the sector. Shayela Smart directly mitigates these risks through structured governance, clearer roles, and enhanced monitoring.

- **Operational instability and disruption risk**

- **Safety and roadworthiness challenges**

- **Overtrading and route congestion**

- **Informality and limited professionalisation**

- **Dependence on a single dominant mode following rail decline**

Market Size And Demand Analysis

1. Total Addressable Market (TAM)

- **Population served by a transport corridor**

Shayela Smart does not serve a single linear transport corridor in the traditional sense. Instead, it serves multiple high-demand public transport corridors through key Public Transport Interchanges (PTIs) that aggregate commuter flows from across the metropolitan area and, over time, the broader Western Cape.

The project therefore affects large commuter populations moving along multiple taxi corridors, making population served a relevant indicator of scale and complexity, even though impacts are node-based rather than corridor-specific.

- **Data sources**

- **Geographic**

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2. Served Available Market (SAM)

- **Location**

- **Which of the following criteria is being used to support this analysis in terms of Segmentation?**

- **Income**

Income is a key lens, as the project predominantly serves **low- to middle-income commuters** who rely on the minibus taxi sector for daily access to work, education and services. This significantly increases scale and complexity due to the social and economic sensitivity of the user base.

- **Region**

Regional segmentation is central. The project operates across:

- Metropolitan areas (initially the City of Cape Town), and
 - **Non-metro / provincial regions** (future phases).

- **Service level**

Different **levels of service quality, reliability and infrastructure provision** exist across routes and interchanges. Shayela Smart addresses these disparities incrementally, but service level is not the primary segmentation driver—it is an outcome variable.

- **Travel Purpose & Network Role**

Additional segmentation implicitly used includes: Travel purpose (work trips dominate), Network function (high-pressure PTIs vs secondary nodes), Peak vs off-peak demand patterns.

3. Demand Forecasting

2. Project Status & Implementation

Regulatory & Environmental Approvals

Project Type	New Project
Project Size	Large - Total of 30 Mill or more

State-Owned Entities

Name	Engagement Strategy
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Private Entities

Name	Engagement Strategy
Construction Companies	
Engineering Firms	
Technology and ICT providers	vehicle tracking, monitoring platforms, data systems
Retail and service operators	concessions at RHAs and SS&G facilities
Renewable energy providers	solar PV, EV charging, energy management
Facilities management companies	cleaning, security, maintenance
Training providers	accredited driver and industry training programmes

Civil Entities

Name	Engagement Strategy
Civil society organizations advocating for community needs	
Communities and Commuters	Shayela Smart directly affects daily mobility, safety, access to work and services, and long-term spatial inclusion for current and future users of public transport.

Other Stakeholders

Name	Engagement Strategy
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3. Governance, Policy & Enabling environment

Legal And Regulatory Framework

Governance Policies

- Relevant Integrated Development Plans (IDPs)
- Western Cape Infrastructure Framework 2050 (WCIF 2050); Western Cape Infrastructure Strategy (WCIS)
- Provincial Land Transport Framework (PLTF)
- Comprehensive Integrated Transport Plan (CITP)
- Integrated Public Transport Network (IPTN)
- Operating Licence Plan (OLP)
- Multi-Year Financial Operational Plan (MYFIN)

Current Planning Phase

Sr	Phase Name	Description
1	Initiation The initiation phase involved defining the problem, scope and objectives of Shayela Smart in response to growing congestion, safety risks and system instability within the minibus taxi sector. This phase focused on establishing intergovernmental partnerships, securing political endorsement, and aligning the programme with provincial and municipal transport policies. Early stakeholder engagement with taxi industry structures and communities helped build trust, surface risks, and confirm a phased, systems-based approach suited to complex operating environments.	
2	Design During the design phase, the project translated strategic objectives into practical, implementable solutions suited to complex, high-demand transport environments. This included site identification and layout concepts for Remote Holding Areas and Strategic Stop-and-Go facilities, specification of digital monitoring and data systems, and the design of regulatory, operational and training frameworks. Design work balanced technical feasibility, affordability and safety while integrating stakeholder input, ensuring flexibility for phased delivery and alignment with existing public transport infrastructure and governance arrangements.	

Sr	Phase Name	Description
3	<p>Develop</p> <p>In the develop phase, the project moves from design to execution readiness by finalising technical specifications, procurement packages and implementation plans. This phase includes detailed site assessments, confirmation of service requirements, preparation of tender documentation and alignment of funding with phased delivery. Systems development and integration planning for monitoring, data management and regulatory tools are advanced, while operational protocols and training programmes are refined to ensure that infrastructure, technology and institutional arrangements are ready for rollout.</p>	
4	<p>Implement</p> <p>The implementation phase focuses on delivering infrastructure, systems and operational changes in live transport environments while maintaining uninterrupted services. This phase includes construction of Remote Holding Areas and Strategic Stop-and-Go facilities, deployment of digital monitoring platforms, and rollout of driver registration and training programmes. Implementation is carefully phased to manage disruption, supported by intergovernmental coordination, on-site operational management and continuous engagement with taxi operators. Monitoring and adaptive management are used to address issues, ensure compliance and stabilise operations as improvements are introduced.</p>	

Sr	Phase Name	Description
5	Handover <p>The handover phase focuses on transitioning completed infrastructure, systems and operational responsibilities into steady-state management. This includes formal acceptance of facilities, transfer of digital platforms and data systems, and confirmation of roles across provincial, municipal and industry stakeholders. Operational manuals, performance standards and monitoring arrangements are finalised, alongside ongoing training and support to ensure continuity. The handover phase consolidates governance arrangements, embeds accountability mechanisms, and ensures the project's benefits are sustained through effective long-term operation and oversight.</p>	
6	Monitor & Evaluate <p>The monitor and evaluate phase focuses on tracking performance, outcomes and impacts against defined objectives throughout implementation and operations. This includes measuring congestion reduction, safety improvements, compliance levels, system reliability and user experience at priority interchanges. Data from digital monitoring platforms supports evidence-based decision-making, continuous improvement and adaptive management. Regular reporting, stakeholder feedback and governance oversight ensure accountability, demonstrate value for money, and inform adjustments, scaling decisions and future phases of the programme across the province.</p>	<ul style="list-style-type: none"> • consolidating learning and enabling replication

Policy Incentives

1. Sector-Focused Incentives

- a. Green Economy: Incentives for renewable energy, water efficiency, and waste-to-energy projects.
- b. Technology and Innovation: Support for ICT hubs, fintech, and digital startups.
- c. Inclusive Infrastructure Development
- d. Gender-Responsive Procurement
- e. Youth Empowerment

- f. Public-Private Partnerships (PPP)
- g. Economic Inclusion

2. Investment Ecosystem Support

- a. Municipal Investment Readiness Programme: Helps municipalities prepare for and attract investment.
- b. Sector IQ: Provides data-driven insights to guide investment decisions.
- c. Western Cape Infrastructure Pipeline / DOI support
- d. Provincial Treasury PPP and project preparation support
- e. WCIF 2050 Panoptic Evaluation framework
- f. Development finance institution (DFI) technical assistance

3. Business Support and Facilitation

- a. Site selection assistance
- b. Regulatory guidance
- c. Market intelligence
- d. Access to government incentives
- e. Investment Summits: Hosted by the Premier to connect investors with opportunities and funding partners
- f. PPP and concession advisory support
- g. Procurement facilitation
- h. Stakeholder coordination

4. National Incentives Accessible in the Western Cape Via the Department of Trade, Industry and Competition (DTIC)

- a. Indirect DTIC Alignment (Not Incentive-Based) [around inclusive economic participation, formalisation of informal sectors, SMME participation through procurement and concessions]

5. Investment Summits: Hosted by the Premier to connect investors with opportunities and funding partners

4. Financial requirements & Funding strategies

Project Guestimate

Estimated Cost	R 769,000,000
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5. Delivery Mechanism & procurement strategy

WCG Sector Priorities

Outcomes	Social	Energy & Water	Economic	Technology	Ecological
Infrastructure investment drives spatial transformation and improves spatial resilience	Short Term 1-5 YRS	Short Term 1-5 YRS	Short Term 1-5 YRS		Short Term 1-5 YRS
Mobility systems and transportation corridors provide safe and efficient connectivity to opportunities, services, and facilities	Short Term 1-5 YRS		Short Term 1-5 YRS	Short Term 1-5 YRS	

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1] Closure and Scale-Up Phase
consolidating learning and enabling replication