Western Cape Government

Executive Summary Report

1. Project Description & Strategic Case

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 minibus 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**

    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.

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

National Level	Provincial And Local Levels	Other Relevant Entities
• Department of Forestry, Fisheries and the Environment (DFFE): Responsible for environmental management, conservation, and protection in South Africa • National Transport Policy Frameworks • National Climate Change Frameworks • Public Finance Management Act (PFMA) / Municipal Finance Management Act (MFMA) • Environmental Management Frameworks (EMFs): Strategic planning tools for land-use and environmental management decisions • National Treasury	• City of Cape Town • Provincial Transport Authorities / Regulatory Functions • Municipal Environmental Health Services • Municipal By-laws (Traffic, Informal Trading, Public Places, Noise) • Municipalities: Play a role in environmental management, especially in land-use planning and development applications • Department of Infrastructure (DOI) • Provincial Treasury, Western Cape • Panoptic Evaluation Structures (WCIF 2050)	• Environmental Assessment Practitioners Association of South Africa (EAPASA): Voluntary certification body for Environmental Assessment Practitioners • Community-Based and Taxi Industry Structures

Identify Key Stakeholders

Government

Name
Department Of Infrastructure
Provincial Treasury
Local Government
Department of Mobility
Western Cape Government
Private Sector
City of Cape Town – Local planning, building plan approval
Provincial Regulatory Authority (Transport)
Taxi Industry Structures (SANTACO WC & Associations)
Municipal Traffic Departments

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

Name	Engagement Strategy
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.

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)

Investment Needs

Sr	Name	Description
1	**Infrastructure Development**	• **Roads, bridges, and public transport systems.** • **Renewable energy installations and grid improvements.** • **Digital and Operational Infrastructure**
2	**Human Settlements**	• **Mixed-use urban development.** • **Transit-Oriented Support Functions (improving mobility access between residential areas and economic nodes)**
3	**Healthcare**	• **Indirect Health Access Benefits**
4	**Education**	• **Indirect Education Access Benefits**

Sr	Name	Description
5	**Green Economy**	• **Renewable energy (solar, wind, bioenergy).** • **Low-Carbon and Resource-Efficient Mobility**
6	**SMME and Entrepreneurship Support**	• **Access to finance and market linkages.** • **Skills development and mentorship programs.** • **Enterprise Participation through Inclusive Procurement**
7	**Tourism and Cultural Investment**	• **Indirect Support to Tourism Mobility**

4. Financial requirements & Funding strategies

Cost-Effectiveness Analysis (CEA)

Project Component	Intervention Type	Estimated Cost (ZAR)	Expected Outcome	Effectiveness Metric	Timeframe

Cost-Benefit Analysis (CBA)

Estimated Duration	5 Year(s) & 0 Month(s)							
Item / Activity	**Type**	**Category**	**Timeframe**	**Description**	**Amount**	**Discount Amt**	**Present Value (PV)**	**Net Benefit**

Risk Evaluation

Start Date	01 Jan 2026			
Sector / Scenario	**GDP Impact**	**Employment Impact**	**Key Drivers**	**Notes**
Direct Economic Effects	Moderate to High	Moderate (Short-Term) to High (Operationally Sustained)	Capital expenditure on construction (RHAs & SS&G)	Most effective in stimulating broad growth
Indirect Economic Effects	Moderate (Short- to Medium-Term), with Long-Term Reinforcement	Moderate	Procurement of construction materials & equipment /Demand for ICT, comms & data services	High demand for materials and labor
Induced effect (concentrated in the tertiary and social sector)	Moderate and Long Term	Moderate	Household spending of wages earned from construction, operations and supply-chain activities	Indirect impact via consumption

Macro-Economic Benefits

Benefit Category	Estimated Impact	Sectoral Relevance	Policy Alignment

5. Financial requirements & Funding strategies

Project Guestimate

Estimated Cost	R 769,000,000

Total Project Cost Breakdown

1. Cost Category : Capital Expenditure (CAPEX)

Description	Estimated Cost (ZAR)	Notes
Land Acquisition & Site Prep	R 0	
Design & Engineering	R 0	
Construction & Civil Works	R 0	
Equipment & Materials	R 0	
Utility Connections	R 0	
Contingency	R 0	

2. Cost Category : Development Costs

Description	Estimated Cost (ZAR)	Notes
Feasibility Studies	R 0	
Legal & Regulatory Compliance	R 0	
Stakeholder Engagement	R 0	
Project Management	R 0	

3. Cost Category : Operational Expenditure (OPEX)

Description	Estimated Cost (ZAR)	Notes
Staffing & Operations	R 0	
Maintenance & Repairs	R 0	
Utilities & Consumables	R 0	
Insurance & Monitoring	R 0	

4. Cost Category : Financing Costs

Description	Estimated Cost (ZAR)	Notes
Interest During Construction	R 0	
Financial Fees	R 0	

5. Cost Category : Lifecycle & Decommissioning

Description	Estimated Cost (ZAR)	Notes
Asset Replacement	R 0	
Decommissioning	R 0	

6. Cost Category : Inflation & Escalation

Description	Estimated Cost (ZAR)	Notes
Adjustments based on Treasury guidelines	R 0	

Funding Sources

Funding Strategy Guide for Infrastructure Projects

Innovative Financing Mechanisms

Innovative Financing Mechanisms for Infrastructure Projects

6. Project feasibility, approvals & infrastructure planning

Technical Feasibility

The Shayela Smart Project is technically feasible, as it is based on well-established infrastructure typologies and proven digital systems that can be deployed incrementally within existing public transport environments. The construction of Remote Holding Areas and Strategic Stop-and-Go facilities involves standard civil works, traffic engineering and utilities provision, while vehicle monitoring and operational management rely on mature, interoperable technologies. Implementation within live Public Transport Interchanges is manageable through phased rollout, site-specific design, and piloting, reducing technical risk and supporting adaptive refinement during delivery.

Master Plan Integration

The Shayela Smart Project demonstrates strong master plan integration, as it is embedded within existing provincial and municipal transport and spatial planning frameworks. The programme aligns with the Provincial Land Transport Framework, the City's Comprehensive Integrated Transport Plan and the Integrated Public Transport Network by focusing on optimising existing public transport interchanges rather than introducing parallel systems. Its site-based interventions complement broader land-use, mobility and congestion-management objectives, ensuring that infrastructure investments reinforce long-term spatial planning, network efficiency and integrated, multi-modal transport development across the Western Cape.

Alternative Evaluation

The Shayela Smart Project's alternative evaluation confirms that the selected approach is technically preferable to higher-cost or less adaptable options. Alternatives such as large-scale road expansion, new rail investment, or stand-alone enforcement measures were assessed and found to be either capital-intensive, slow to implement, or insufficient to address operational challenges in the minibus taxi system. In contrast, the chosen solution focuses on targeted, modular infrastructure and systems upgrades within existing networks, enabling rapid deployment, scalability, and technical adaptability while minimising disruption and implementation risk.

Infrastructure Planning Prioritization

The infrastructure plan for the Shayela Smart Project is technically feasible and appropriately scaled, focusing on targeted interventions that optimise existing public transport infrastructure. The plan prioritises the development of Remote Holding Areas and Strategic Stop-and-Go facilities at high-demand Public Transport Interchanges.

Document	Link
MD project assessment_Panoptic Principles v2 2025090258	https://gov-api.qadoi.platform.org.za/uploads/project_documents/134/MD project assessment_Panoptic Principles v2 2025090258.pptx

7. 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	

Community Participation

- **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.

- **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.

- **Develop**

  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.

- **Implement**

  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.

- **Handover**

  The handover phase focuses on transitioning completed infrastructure, systems and operational responsibilities into steady-state management. This includes formal acceptance of facilities, transfer of digita 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.

- **Monitor & Evaluate**

  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.

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

Procurement Methods

1. **Procurement Strategy**

   The procurement strategy for the Shayela Smart Project is designed to support phased delivery, flexibility and value for money within a complex, multi-stakeholder environment. It combines standard public-sector procurement mechanisms with the option for targeted, concession-style arrangements for site-based commercial components. Infrastructure works, digital systems and operational services may be procured separately or bundled, depending on scale and risk allocation. The strategy emphasises competitive tendering, local participation, compliance with preferential procurement regulations, and risk-sharing aligned to each delivery phase.

2. **Municipalities**

3. **Communities**

Risk Sharing Mechanisms

The risk sharing strategy for the Shayela Smart Project is designed to allocate risks to the parties best able to manage them, in line with public-sector value-for-money principles. Strategic, policy and regulatory risks remain with government, while construction and delivery risks are transferred to contractors through fixed-scope contracts. Operational and performance-related risks are managed through clear service-level agreements and

monitoring systems, with scope for shared risk in commercial components under concession-style arrangements. This balanced approach limits public exposure while incentivising efficient delivery and long-term performance.

8. Special (eg. gender) procurement actions and social impact

Social Benefits