



Project Prefeasibility Report

1. Project Details

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

1.1 Background & 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.

1.2 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.

2. Objectives & Key Focus Areas

Objective	Key Focus Area
Stabilise and professionalise the minibus taxi sector	• Prioritising Infrastructure for Maximum Impact • Innovation & Futures Planning
Reduce congestion and operational pressure at priority public transport interchanges (PTIs)	• Strengthening Municipal Infrastructure
Improve commuter experience and access to opportunity	• Prioritising Infrastructure for Maximum Impact
Build foundations for long-term public transport reform	• Innovation & Futures Planning

3. Project Timeline & Cost

Estimated Duration	5 Year(s) & 0 Month(s)
Estimated Start Date	01 Jan 2026
Estimated Cost	R 1.16B

4. Project Stage-0 Submission & Approval

Submitted By	
Submitted On	
Signed By	

5. Environmental & Social Considerations

5.1 Environmental Considerations

- Consolidation of Dispersed Storage & Efficient Use of Space
- Traffic-Induced Environmental Impacts
- Public Health & Environmental Health
- Environmental Compliance & Monitoring
- Greenhouse gas emissions and deforestation contributing to climate change
- Proper waste management to reduce pollution and health risks
- Land Use & Zoning Compliance

5.2 Social Considerations

- Impacts on Local Economic Activity
- Safety and Personal Security
- Protection of health and safety from environmental hazards
- Promotion of social equity and fair distribution of development benefits
- Engagement with stakeholders throughout the project lifecycle

6. Regulatory & Environmental Approvals

6.1 National Level

- 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

6.2 Provincial and Local Levels

- 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)

6.3 Other Relevant Entities

- Environmental Assessment Practitioners Association of South Africa (EAPASA): Voluntary certification body for Environmental Assessment Practitioners
- Community-Based and Taxi Industry Structures

7. Identify Key Stakeholders

7.1 Government

- 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

7.2 State-Owned Entities

7.3 Private Sector

- 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

7.4 Civil Society

- 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.

7.5 Other Stakeholders

8. 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	

9. Infrastructure Type

9.1 Hard

Hard infrastructure under the project includes the physical development of Remote Holding Areas and Strategic Stop-and-Go facilities, associated civil works, lighting, signage, ablutions and safety features. These assets improve operational efficiency at public transport interchanges, reduce congestion and create safer, better-managed spaces for vehicles, drivers and commuters.

9.2 Soft

Soft infrastructure comprises the systems, institutions and capabilities that enable effective operation of the transport network. This includes digital monitoring platforms, driver registration and training programmes, regulatory processes, data governance, and intergovernmental coordination structures that support compliance, performance management and long-term sector reform.

9.3 Critical

The project constitutes critical infrastructure by strengthening the reliability and resilience of the minibus taxi system, the primary mode of transport for most commuters. By stabilising daily mobility, it supports access to employment, services and economic activity, making it essential to the functioning of the provincial economy and social system.

10. Project Stage-1 Submission & Approval

Submitted By	
Submitted On	
Signed By	
Approved On	

11. Geo Location

Geo Location	
Latitude	
Longitude	

12. Procurement Planning

- **Decentralized Preference Criteria - Other**

Procurement will follow **provincial and municipal supply chain frameworks**, but site-level procurement (e.g. facilities management, retail concessions, minor works) may apply **location-specific preference criteria**, particularly at municipal level.

- **Designated Groups - Historically disadvantaged individuals**

The project creates opportunities to prioritise **designated groups** (youth, women, and disability-owned enterprises) especially in:

- retail and service concessions,
- facilities management,
- cleaning, security, and support services,
- training and community-facing roles.

- **Broad-Based Black Economic Empowerment (B-BBEE)**

It procurement will be subject to **B-BBEE compliance**, including:

- minimum B-BBEE levels for bidders,
- preferential procurement scoring,
- subcontracting to qualifying enterprises.

This is standard for provincial and municipal procurement.

- **Value-for-money, technical capability, and regulatory compliance**

Procurement decisions will prioritise:

- **value for money**,
- proven technical capability and experience,
- compliance with transport, safety, environmental and labour regulations.

- **Concession-style procurement**

for retail, services, data and energy components

- **PPP / blended-finance procurement**
where private capital and operations are introduced

13. Procurement Action

- **E-Procurement Solution (ePS)**
The e-Procurement Solution will be actively used to **advertise tenders, manage bid submissions, conduct evaluations and issue awards**, in line with Western Cape Government procurement procedures.
- **Western Cape Supplier Evidence Bank (WCSEB)**
The WCSEB will be used to **verify supplier compliance** (tax status, B-BBEE certification, statutory documentation) during procurement execution, reducing duplication and ensuring audit compliance.
- **Procurement Planning**
Approved procurement plans will guide **sequencing, packaging and timing of tenders**, and will be updated as implementation phases progress and funding is confirmed.
- **Preferential Procurement Regulations (2022)** - Aligned : Yes
All procurement actions will comply with the **Preferential Procurement Regulations, 2022**, including preference point systems, designated-group considerations and subcontracting requirements where applicable.
- **Sustainable Public Procurement (SPP)** - Aligned : Yes
SPP principles will be applied **selectively** during procurement actions, particularly for:
 - energy-efficient lighting and systems,
 - solar PV or low-carbon components,
 - environmentally responsible materials and services.
- **Standard public-sector mechanisms apply**
Procurement actions will use **standard public-sector mechanisms**, including open competitive bidding, framework agreements, and regulated deviations where justified, in compliance with PFMA/MFMA.
- **Concession and PPP-Style Procurement Action**
For RHAs and SS&G facilities, concession-style procurement actions may be implemented for retail, services, data platforms and renewable-energy components, subject to Treasury approvals and value-for-money confirmation.

14. Social Impact

- **Inclusive Economic Participation**
The project enables participation by small businesses, SMMEs and informal operators through retail concessions, service provision, facilities management and training programmes, particularly benefiting historically excluded groups.
- **Social Equity & Spatial Justice**
By strengthening the province's dominant public transport mode, the project improves access to opportunity for low-income and peripheral communities, addressing long-standing spatial inequalities.
- **Skills Development and Job Creation**
The programme includes accredited driver training, operational roles at facilities, and employment opportunities in construction, monitoring, security, cleaning, retail and systems support.
- **Ethical and Transparent Governance**
Clear governance structures, intergovernmental coordination, regulatory oversight and transparent procurement processes support accountability, compliance and trust in public-sector delivery.
- **Safety & Security**
Improved traffic management, formalised facilities, better lighting, monitoring systems and trained personnel enhance safety for commuters, drivers and surrounding communities.
- **Enhanced Accessibility & User Experience**
Reduced congestion at PTIs, more predictable services, safer boarding environments and improved operational discipline directly improve the daily commuter experience.

15. Property Availability

Has the land for the site been identified?: In Process

Remarks: The current status is that the properties have not yet secured, transferred, or formally allocated. The project documentation (Business Plan, Panoptic Scoring Summary, Prospectus, and DOI pipeline material) does not list specific

16. Project Stage-2 Submission & Approval

Submitted By	
Submitted On	
Signed By	
Approved On	

17. Background & 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.

18. Economic and Social Justification

- **Job creation**
Jobs are created through construction, facility operations, monitoring, security, cleaning, retail concessions and training programmes.
- **Inclusive growth**
Strengthens the minibus taxi sector and enables participation by SMMEs and informal operators, supporting inclusive economic activity.
- **Reducing inequality**
Improves mobility for peripheral and historically disadvantaged communities, addressing spatial and economic inequality.
- **Improving access**

Enhances access to work, education, healthcare and services through safer, more reliable public transport.

- **Economic Stability & System Reliability**

Reduces the risk of transport disruptions that have major economic impacts, as demonstrated during past sector shutdowns.

- **Stimulating Local Economic Activity**

Improved commuter flows and on-site commercial activity support surrounding businesses and local economies.

- **Alignment with Provincial Economic Strategies**

Aligned with provincial priorities on mobility, economic access, productivity and spatial transformation.

- **Meeting a Critical Public Service Obligation**

Supports the province's dominant public transport mode, essential for daily economic and social functioning.

- **Improving Social and Environmental Equity**

Enhances fairness in access to mobility and reduces disproportionate burdens on low-income communities.

- **Job Creation, Skills Development and Local Participation**

Includes accredited training, operational roles and opportunities for local enterprises and workers.

- **Alignment with Provincial Economic Strategies**

19. Geographic Coverage

19.1 Regions

- City of Cape Town

19.2 Municipalities

District	Municipalities
City of Cape Town	City of Cape Town

19.3 Communities

District	Communities
----------	-------------

20. 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**

21. Approval Bodies

21.1 Provincial Government Departments

- Department Of Infrastructure

- Provincial Treasury
- Local Government
- Department of Mobility
- Western Cape Government
- City of Cape Town – Local planning, building plan approval
- Provincial Regulatory Authority (Transport)
- Fire and Emergency Services

21.2 Public Entities and Regulatory Bodies

- Western Cape Provincial Treasury
- Provincial Regulatory Authority (Transport)
- Municipal Building Control & Planning Authorities
- Municipal Traffic & Transport Authorities

21.3 Specialized Committees and Boards

- Municipal Planning Committees
- Provincial Treasury PPP Committee (where applicable)

22. Environmental Considerations

24. Investment Needs

24.1 Infrastructure Development

- Roads, bridges, and public transport systems.
- Renewable energy installations and grid improvements.
- Digital and Operational Infrastructure

24.2 Human Settlements

- Mixed-use urban development.
- Transit-Oriented Support Functions (improving mobility access between residential areas and economic nodes)

24.3 Healthcare

- Indirect Health Access Benefits

24.4 Education

- Indirect Education Access Benefits

24.5 Green Economy

- Renewable energy (solar, wind, bioenergy).
- Low-Carbon and Resource-Efficient Mobility

24.6 SMME and Entrepreneurship Support

- Access to finance and market linkages.
- Skills development and mentorship programs.
- Enterprise Participation through Inclusive Procurement

24.7 Tourism and Cultural Investment

- Indirect Support to Tourism Mobility

25. Policy Incentives

25.1 Sector-Focused Incentives

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

- Public-Private Partnerships (PPP)
- Economic Inclusion

25.2 Investment Ecosystem Support

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

25.3 Business Support and Facilitation

- Site selection assistance
- Regulatory guidance
- Market intelligence
- Access to government incentives
- Investment Summits: Hosted by the Premier to connect investors with opportunities and funding partners
- PPP and concession advisory support
- Procurement facilitation
- Stakeholder coordination

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

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

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

26. Scale And Complexity

26.1 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.

26.2 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.

26.3 Demand Forecasting

26.4 Size

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

27. Challenges

27.1 Financial Complexity

The project's financial complexity arises from coordinating multiple funding sources across provincial and municipal budgets while introducing private-sector participation through concessions and potential public-private partnerships. Capital investment must be carefully phased to match implementation readiness, while ongoing operational costs require sustainable revenue models that do not increase commuter fares. Balancing value for money, affordability, fiscal constraints, and long-term financial sustainability, within public-sector procurement and treasury regulations, adds further complexity to funding, contracting and risk allocation decisions.

27.2 Operational Complexity

The project's operational complexity stems from coordinating multiple actors across government, municipalities and the minibus taxi industry within high-pressure transport environments. Daily operations must balance congestion management, safety, enforcement and service continuity across numerous routes and operators. Introducing new holding areas, stop-and-go controls and digital monitoring systems requires behaviour change, training and consistent compliance, all while maintaining uninterrupted commuter services. Managing peak-period demand, incident response and intergovernmental coordination further intensifies the operational challenge.

27.3 Technical challenges

The project faces technical challenges linked to integrating new digital monitoring systems with fragmented, informal operating practices; retrofitting infrastructure within constrained, high-traffic interchanges; ensuring data reliability and interoperability across agencies; and phasing construction and systems deployment without disrupting daily transport operations or commuter safety.

28. Phases

28.1 Monitor & Evaluate

- **Closure and Scale-Up Phase**
consolidating learning and enabling replication

29. Project Stage-3 Submission & Approval

Submitted By	
Submitted On	
Signed By	
Approved On	