## MINISTERIAL STATEMENT

## ON THE

## ROAD TRAFFIC AND SAFETY AGENCY CONTRACT WITH INTELLIGENT MOBILITY SOLUTIONS

## BY THE MINISTER OF TRANSPORT AND COMMUNICATION, MR MUSHIMBA, MP

Mr Speaker, it is my honour and privilege to take the Floor, and I wish to thank you most sincerely for according me this opportunity to make this ministerial statement on the Road Transport and Safety Agency RTSA contract with Intelligent Mobility Solutions (IMS) a joint venture between Lamise Trading and Kapsch International of Austria.

Mr Speaker, as mentioned above, my ministry through RTSA has recently entered into a concession agreement with IMS. The concession agreement is aimed at providing advanced road traffic management solutions and services in the transport sector. The contract will provide intelligent transportation systems in the fields of cross-border tolling enforcement, traffic management, smart urban mobility, traffic safety and security, and connected vehicles. As a one-stop solutions provider, IMS through RTSA, will offer end to end solutions covering the entire value chain, from components and design to the implementation and operating of the systems. The mobility solutions to be supplied will help make our roads safer and more reliable, efficient and comfortable in urban areas and highways alike while helping reduce pollution.

Mr Speaker, as you aware, this Patriotic Front (PF) Government has embraced and is trying to domesticate smart solutions in all our service provisions.

The creation of Smart Zambia and Electronic Government (e-Government) systems, speak to that desire to adopt innovations and new technologies in making our Government more functional for the people. The Smart Zambia agenda is here to stay, and every arm of Government will go through a transition into a smart evolution.

In executing this vision, Mr Speaker, my ministry has actively been scanning the market for innovative solutions that will aid Zambia in becoming a hub of transport and communications in

the Southern African Development Community (SADC) region by 2030 faster. In the transport sector, we have started this journey, and this is the first major contract on that journey.

Mr Speaker, recognising the fact that Government has a lot of fiscal competing needs, many times it is necessary that alternate financing options be considered including inviting private sector participation. In this case, not only were we looking for a technology provider but also funding to implement an advanced traffic management system. Therefore, the best option for the Government at this juncture was to use a Public Private Partnership (PPP) model in this contract.

Mr Speaker, the procurement process for this project was in line with the detects of the PPP Act of 2009 where the unsolicited bids are subjected to an open tender in accordance with Section 42 (6) of the Act. The project was advertised in the print media for a period of one month and five competing bids were received that were compared to the unsolicited bid from IMS and IMS was awarded the concession to implement the advanced road traffic management system.

Sir, the project is at no cost to the Government of the Republic of Zambia while the concessionaire will provide among other solutions and services, Close Circuit Television (CCTV) cameras on our roads, road signs, vehicle inspection centres, cross-border tolling facilities, electronic number plates, high speed weigh in motion nodes to reduce over loading, and road safety enforcement equipment. These services and infrastructure required were calculated to cost the concessionaire slightly over a US\$100 million that will be recovered during the seventeen year concession period from the value added services.

Mr Speaker, RTSA returns its core mandate of regulation, education and collection of road tax, driver licencing fees and carbon tax. The concessionaire, through RTSA, will enforce road safety and collect fines from traffic offences such as overloading, over speeding and other road user charges for vehicle inspection and registration. The concessionaire will recover his cost over the course of the seventeen year project duration through receipts of a portion pegged at 15 per cent on the value added services. Eighty-five per cent of these collections will be remitted to the Zambian Government Treasury.