



NATIONAL ECONOMIC DEVELOPMENT AND LABOUR COUNCIL

REQUEST FOR PROPOSAL: RESEARCH ON MOVEMENT OF FREIGHT FROM ROAD TO RAIL

FINAL TERMS OF REFERENCE

MOVEMENT OF FREIGHT FROM ROAD TO RAIL IN THE AGRICULTURE SECTOR

1. INTRODUCTION

- 1.1. In 2018, the Presidential Job Summit was convened with the intention to address the triple challenges of poverty, unemployment and inequality. This process would specifically identify solutions to job retention and identify job creation blockages and opportunities for Social Partners (Government, Business, Labour, and Community) to stimulate greater levels of participation in the economy. Arising from the Job Summit, it was agreed that a committee on road to rail would be established.
- 1.2. Development Chamber agreed to consider research proposals arising from the Job Summit on the “movement of goods from road to rail”. As the Business’ argument in the Chamber was there was no adequate knowledge available in the public domain on the matter, to enable decisions on viability of sidings to be made. Most road freight information that could feasibly be moved to rail resides with different companies and that it was not easily accessible.
- 1.3. The Development Chamber agreed to identify the gaps that exist on the extensive work that has been commissioned by various Government departments and public entities.

- 1.4. Given the limited resources and the allocated budget, the research should focus on the movement of freight from road to rail within the context of the agricultural sector as this represents the biggest opportunity to move bulk freight off the roads and the sector has indicated a willingness to cooperate.

2. THE KEY QUESTIONS FOR INVESTIGATION

- 2.1. Location of nodes and hubs in the industry, where bulk freight is collected, stored and moved to processing facilities or hubs.
- 2.2. Assessment of the identified branch lines and municipal sidings conditions.
- 2.3. Assessment of commercial impediments to enable road to rail shift (i.e. road logistics cost vs. rail logistics tariffs/costs).
- 2.4. Upfront volume of industry and expansion plans.
- 2.5. Investigate immediate available capacity from Transnet.
- 2.6. Potential for job creation or retention on the agricultural sector with potential of creating entrepreneurships.
- 2.7. How would this increase RSA export competitiveness.
- 2.8. Construct scenarios outlining the most plausible branch lines to invest.

3. RESEARCH METHODOLOGY AND DELIVERABLES

- 3.1. The researcher/s will be expected to
 - 3.1.1. Researchers to take note of the outcomes the 2018 Presidential Job Summit.
 - 3.1.2. Liaise with specific agricultural representatives, research institutions or information service providers to obtain relevant information in terms of commodity-specific freight volumes, destinations, routes, needs and required outcomes.
 - 3.1.3. Ensure the confidentiality of all information obtained from industry.

3.1.4. Construct scenarios to inform the most effective utilization of resources.

4. TIMEFRAME

4.1. The research period is five months inclusive. The work should commence in November 2019 and must be completed mid March 2020.

4.2. The researcher/s will be expected to provide/present the following to the reference group:

4.2.1. Initial report (framework of the research) in November 2019;

4.2.2. Mid- way research report mid January 2020 ; and

4.2.3. Final report by the mid March 2020.

5. APPROVAL PROCESS FOR THE RESEARCH DRAFT TERMS OF REFERENCE AND FINAL RESEARCH REPORT

5.1. The Research Reference Group should first consider and sign-off on the draft terms of reference, thereafter the same must be submitted to the Chamber Convenors or Development Chamber whichever one comes first for ratification;

5.2. The final research report must be submitted to the Chamber Convenors or Development Chamber whichever one comes first for approval.

6. DEADLINE FOR SUBMISSION OF PROPOSALS

Deadline for Proposals: 18 October 2019 (COB)

Proposals to be sent to joyce@nedlac.org.za and cc procurement@nedlac.org.za